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MARKET FOR U. S. PRODUCTS IN Nigeria

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A U. S. DEPARTMENT OF COMMERCE PUBLICATION

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Foreword

Among the newly independent countries of West Africa, Nigeria has come to be perhaps the most widely known and most favorably publicized in the United States. Its potential as a mass market for consumers' goods, its progress in industrial development, and its political transition to a stable, independent status have led a steadily increasing number of U.S. exporters and investors to look more closely for opportunities in a part of the world where the American business community has heretofore been noted chiefly for its absence.

American trade with Nigeria has increased at an impressive rate: the value of U.S. exports to the country more than doubled from 1955 to 1961, and rose again by over 25 percent from 1961 to 1962. Acceptance of American products has been so general that the United States now ranks as Nigeria's third most important supplier.

Despite these noteworthy gains, U.S. exports still constitute but a small proportion of Nigeria's total purchases abroad because of the country's traditional reliance on British suppliers. Nearly $600 million worth of goods were imported by Nigerians in 1962, but only a little more than 7 percent of these originated in the United States. Approximately 35 percent originated in the United Kingdom and about 12 percent in Japan.

The Nigerian market is growing, and all indicators point to further expansion in coming years. This report reflects the optimism of the Department of Commerce that opportunities for aggressive American salesmanship will continue to be excellent in this widening and highly competitive market.

This report is designed to provide a balanced picture of both the prospects and the problems of selling in Nigeria. Its objective is to help you in your marketing program—now.

January 1964.

Eugene M. Braderman
Director, Bureau of International Commerce.

Credits

This study was prepared by Arnold A. Wilken under the direction of Bernard Blankenheimer, Director, Africa Division, Bureau of International Commerce. It is based largely on an extensive 6-week field survey made by Mr. Wilken in Nigeria, during which interviews were conducted in seven principal cities with leading Nigerian and expatriate businessmen engaged in commerce, finance, and industry, and with appropriate senior Nigerian Government officials. At the same time, however, the report draws heavily on many official and unofficial publications on Nigeria, and on numerous reports and dispatches prepared by the American Embassy at Lagos and Consulates at Enugu, Ibadan, and Kaduna.

Special credit must be afforded Mr. David Post, American Commercial Attache with the Embassy at Lagos, for his very valuable contribution to the survey in providing guidance and direct support through all stages of planning and implementation. Grateful acknowledgment for their cooperation and assistance in carrying out the project is also due Mr. George Dolgin, Counselor for Economic Affairs, Mr. Jay Nussbaum, Assistant Commercial Attache, and Mr. Paul Bennett, Economic Officer, American Embassy, Lagos; Mr. Nelson Ledsky, American Consulate, Enugu; Mr. Frank Haendler, American Consulate, Ibadan; and Mr. Daniel Sullivan and Mr. David Morrison, American Consulate, Kaduna. The report has benefited greatly from review in draft by the above-named members of the American Embassy at Lagos.

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Nigeria—Market Indicators

Located on the west coast of Africa. Fully independent since October 1960; a member of the British Commonwealth. Economy based on agriculture and animal husbandry; other resources include timber, tin, columbite, and petroleum. Lagos, the capital, has a population estimated in 1961 at 379,000 persons.

GEOGRAPHY	Area of 356,000 square miles, or slightly larger than Arizona, Nevada, and New Mexico combined. Southern coastal boundary lies on the Gulf of Guinea. Terrain varies from heavy forest along coast to open grassland in the north.
POPULATION	Estimated at 40 million in 1963. Official language: English.
INCOME	Gross domestic product estimated at $2.9 billion in 1960; average per capita income about $80.
CURRENCY	Nigerian pound, equivalent to US$2.80 at official rate of exchange. Currency in circulation: $244.5 million in December 1962.
FOREIGN TRADE	Total imports 1962—$586 million of which $207 million from United Kingdom, $70 million from Japan, $42 million from United States. Total exports 1962—$459 million of which $197 million to United Kingdom, $63 million to Netherlands, $51 million to United States.
PRINCIPAL EXPORTS	Peanuts and byproducts, cocoa beans, palm kernels and byproducts, crude oil, rubber, timber and plywood, cotton, tin.
PRINCIPAL IMPORTS	Textile piece goods (mostly cotton), industrial machinery, petroleum products, motor vehicles, electrical machinery and appliances, manufactured items of metal, iron, and steel.

CHAPTER I

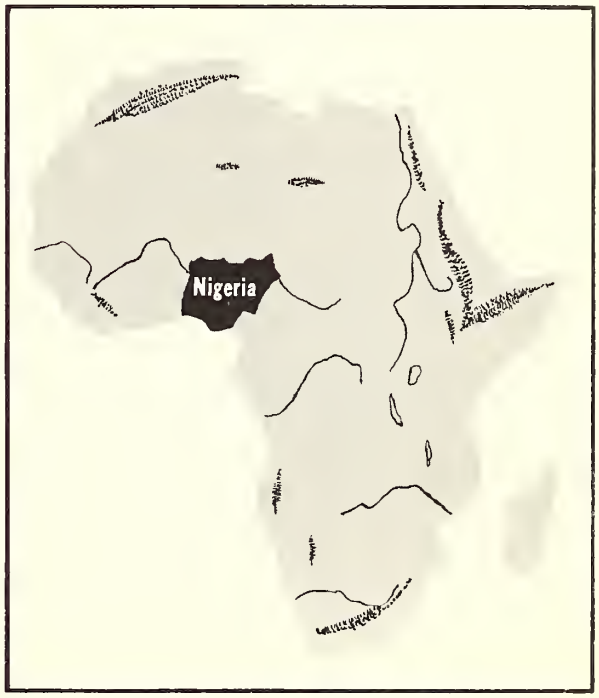
Nigeria—An Open and Competitive Market

With its growing market for a wide range of products, Nigeria is attracting increasing numbers of American businessmen. The attraction is based on substantial fact. Nigeria is a big country. Its population is greater than that of any other country on the African Continent—40 million persons—or, 15 percent of the total population of Africa. It has an area of over 356,000 square miles, or more than twice that of California, and is well endowed with natural resources. It has a diversified primary sector encompassing exports of five major agricultural crops, a strong forestry and lumber industry, and a petroleum industry of growing importance. Manufacturing, which has developed in earnest over the past few years, promises to continue its development at a favorable rate.

Nigeria's imports increased by nearly 80 percent in value between 1952 and 1962 while exports rose 27 percent. Total Nigerian imports in 1962 were valued at $586.4 million, exports at $459.2 million.

Nigerian imports from the United States have increased consistently during 1955–62, as shown in table 1, continuing to rise even in 1962 when the value of Nigeria's total imports fell by 6 percent from that in 1961. From 1955 to 1962, the U.S.

Two lanes of traffic driving southeast on Marina, a principal street in the number 1 port and Capital of Nigeria, Lagos



Location map of Nigeria
See also, political map at page 32.

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share of the value of Nigeria's import trade more than doubled—from 3.5 percent to 7.4 percent.

Many items bearing U.S. trademarks enter Nigeria from American-owned plants on the Continent and in the United Kingdom or from firms abroad operating under business arrangements with American companies. Thus, well-known American brands of food products, soaps, cosmetics, and clothing are displayed in stores and markets all over the country, enjoying a high degree of consumer acceptance. Most of these goods now being sold in Nigeria have established reputations for quality. In many cases, exporters seeking to enter new American lines in the country will find that a "Made in U.S." label or a brand name recognized as being American carries some value in itself.

United States trade with Nigeria has increased in the face of extremely keen competition from other overseas suppliers and, often, in spite of difficult marketing conditions. British exporters have continued to make strong efforts to maintain their traditional leadership in many lines. Western European and Japanese manufacturers are striving energetically to increase their sales in the country. Market acceptance for new lines is often slow in the face of strongly established brand preferences.

The American exporter should be aware that nothing sells itself in Nigeria. Consumer acceptance is not always immediate, and many firms now selling successfully in Nigeria are doing so only because they had the ability and the willingness to stay on through extended periods when sales returns amounted to a great deal less than promotion and sales costs. For the firm with a suitable product and the willingness to go out and sell it, however, rewards in the changing Nigerian market can be considerable.

Demand for consumers' goods in Nigeria from the private side of the economy is generated by a rural majority and an urban minority of the population. Demand for most of the higher priced and more sophisticated consumer items exists primarily in the cities where incomes, standards of living, and propensities to import are highest. It is in the cities, too, that the larger part of the expatriate population lives. Expatriates number only some 40,000 persons but are important in the consumer goods market since they constitute a relatively high income group.

While this basic division between an urban and a rural market can guide exporters in formulating appropriate marketing programs for particular types of consumer goods, it is being modified by social and economic changes.

In the urban areas, for example, higher- and middle-income Nigerian consumers are rapidly adopting European consumption patterns. Thus, many items which were formerly imported almost

Table 1.—*Foreign Trade by Principal Trading Partners, 1955, 1960–62*

[Thousands of dollars]

Country	Imports				Exports [1]			
	1955 [2]	1960 [2]	1961	1962	1955 [2]	1960 [2]	1961	1962
United Kingdom	177,885	255,961	238,538	206,691	254,249	223,110	213,410	197,082
Japan	46,629	77,879	84,940	69,589	(3)	7,153	9,360	4,161
United States	15,347	32,419	33,302	41,934	33,972	44,447	53,454	50,692
West Germany	29,350	42,593	46,200	37,573	11,934	36,010	37,009	41,213
Netherlands	13,168	32,505	29,712	25,727	27,932	60,111	61,058	62,692
Italy	10,684	20,180	21,905	19,407	8,979	20,151	22,822	24,648
France	4,557	13,676	16,348	18,810	8,917	17,994	27,182	18,860
Norway	9,708	20,189	16,344	15,489	3,267	3,008	676	2,050
India	22,140	11,701	19,390	14,281	471	1,512	1,671	383
Hong Kong	6,229	10,097	11,754	12,277	(3)	433	853	762
Belgium and Luxembourg	5,278	9,169	9,994	8,315	4,067	9,152	14,154	11,280
Canada	1,091	2,873	4,676	7,560	683	3,437	1,408	4,814
Czechoslovakia	4,271	6,613	7,549	7,430	716	1,764	1,721	1,228
Other	34,790	68,639	80,985	101,342	8,100	35,451	31,426	39,373
Total	381,127	604,494	621,637	586,425	363,287	463,733	476,204	459,238

[1] Excluding reexports. [2] Figures for 1955 and 1960 include the former British Trust Territory of Southern Cameroons. [3] Less than $2,800 (£1,000).

Source: Nigerian Federal Office of Statistics, Lagos, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigeria Trade Summary*, December 1961 and December 1962.

exclusively for sale to expatriate families are now being purchased increasingly by Nigerians.

In rural areas, as indicated in chapter 2, incomes vary widely. The money economy is reaching into even remote parts of the country. Many of the basic needs for food, clothing, and shelter in the rural areas are met by each family's production so that a very large part of cash incomes are available for expenditure on manufactured items. Purchases of consumer goods by rural families, in fact, are often surprisingly out of proportion, by American standards, to levels of income. One-fourth or even one-third of a rural family's annual cash income, for instance, may be spent on a radio. Another, similar example, according to businessmen's reports, is a high-quality vacuum bottle which sells well in rural areas even though very expensive in relation to income.

Capital equipment consistently occupies a prominent place among Nigeria's purchases from abroad, and many American manufacturers should find this to be a market of considerable interest. Imports of machinery and transport equipment, as shown in table 2, increased in value by nearly 75 percent from 1955 to 1962. This category of Nigerian imports in recent years has ranked second in importance only to "manufactured goods classified chiefly by material," the classification which encompasses the country's very large trade in textiles and clothing.

The shape of demand for producers' goods in Nigeria—covered in chapter 3—will be set largely by: (1) The nature of existing industry, (2) industrial investment planned in the near future, and (3) the large developmental expenditures to be made by the Nigerian Federal and Regional governments under a 6-year plan. Opportunities for sales of capital goods and materials on a continuing basis currently appear to lie in construction and building lines and in general industrial machinery and tools that are basic to operations in manufacturing plants.

This report focuses on trade opportunities and marketing factors in Nigeria at present and in the near future. In considering the Nigerian 6-Year Plan, for example, attention is given primarily to market opportunities which will be created in the capital goods field through actual implementation of scheduled projects. Detailed analysis of the plan's full impact on Nigeria's economy and of the growth in purchasing power which can thus be expected has not been undertaken here since these factors are of relevance more in a longer-run context.

Altogether, the Nigerian market appears extremely competitive, with immediate sales potentials ranging from excellent for some goods to poor for others. The market cannot be characterized as holding unlimited sales possibilities for any and all U.S. products. Businessmen deciding to enter

Table 2.—*Foreign Trade by Major Commodity Groups, 1955, 1960–62*

[Thousands of dollars]

Commodity group	Imports				Exports [1]			
	1955 [2]	1960 [2]	1961	1962	1955 [2]	1960 [2]	1961	1962
Food	36,269.1	66,951.7	63,626.0	65,779.9	85,551.7	120,425.5	103,517.9	104,730.5
Beverages and tobacco	14,142.9	17,226.8	17,107.1	13,353.7	7.8	49.8	95.5	321.0
Crude materials, mainly inedible, except fuels	4,789.8	6,012.2	6,870.4	6,745.7	224,408.7	264,166.3	276,439.9	230,231.1
Mineral fuels, lubricants, and related materials	18,190.6	31,723.3	37,463.2	39,406.3	730.9	12,699.3	33,007.7	47,296.4
Animal and vegetable oils and fats	86.5	180.6	177.3	234.7	45,702.1	54,104.0	51,103.9	42,379.9
Chemicals	19,751.6	34,249.0	35,271.1	34,530.1	392.0	615.5	481.7	646.4
Manufactured goods classified chiefly by material	168,212.2	227,175.3	245,056.4	204,582.7	3,289.8	4,213.2	4,479.5	24,719.1
Machinery and transport equipment	78,036.0	144,591.3	141,079.1	135,144.0	0	0	0	0
Miscellaneous manufactured articles	34,318.5	66,956.8	66,508.1	60,629.4	26.0	17.5	36.8	187.8
Miscellaneous transactions and commodities, n.e.s.	7,329.8	9,430.1	8,478.0	8,018.6	3,178.5	7,441.6	7,040.8	8,724.8
Total [3]	381,127.2	604,494.3	621,636.6	568,425.2	363,287.4	463,732.6	476,203.7	459,238.3

[1] Excluding reexports.

[2] Figures for 1955 and 1960 include former British Trust Territory of Southern Cameroons.

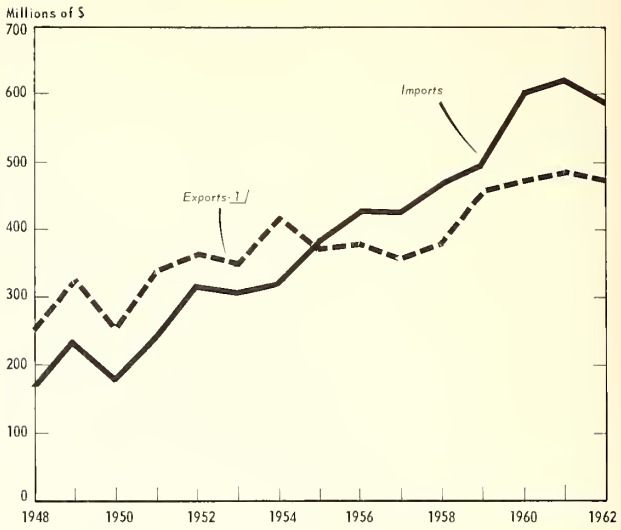
[3] Entries do not necessarily add to totals due to rounding.

Sources: Nigerian Federal Office of Statistics, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigeria Trade Summary*, December 1961 and December 1962.

lines in this market will find that close attention must be given to establishing an effective sales and distribution system and to maintaining an active sales promotion program. Brand preferences are another very important consideration in marketing in Nigeria. Therefore, when it is anticipated that demand for a particular type of product will develop in the country over the next few years, the importance of advance entry into the market to lay a foundation for future sales cannot be overstated.

The competitiveness of business in Nigeria is most directly a result of the country's open, free enterprise economy. In finance and industry, private investment both from abroad and from local sources is actively encouraged, and repatriation of dividends and profits is freely allowed. In foreign commerce, there is a lack of dollar or other currency discrimination and a minimum of quantitative restrictions on imports. Everyone is free to sell in Nigeria, and sales go to the most aggressive firm with the best product at the best price.

Foreign Trade of Nigeria, 1948-62



1/ Including Re-exports.

Note: Converted from Nigerian pounds at the following rates: 1948-49, 1£ = U.S. $4.03; 1950-62, 1£ = U.S. $2.80.

Sources: Nigerian Federal Ministry of Commerce and Industry, *Handbook of Commerce and Industry in Nigeria*, (Fourth Edition), Lagos, September 1960, Page 112; Nigerian Federal Office of Statistics, *Nigeria Trade Summary*, December 1961 (page 2), and December 1962 (page5).

CHAPTER II

Market for Consumers' Goods

Significant changes have taken place in the purchasing habits of many Nigerians over the past decade. Disposable income has risen among an important part of the population. Spending on European-type consumers' goods has increased markedly.

Manufacturers and exporters will find the greatest concentration of purchasing power in Nigeria in the urban areas and, generally, in the southern part of the country where commercialized agriculture and forestry have made greatest progress. Nigerians in the densely populated Eastern Region and around the large cities in the Western Region have shown perhaps the most rapid assimilation of European standards of living. The population of the Northern Region, dominantly of the Hausa and Fulani ethnic groups, is almost entirely Moslem. These people, with their long history and established traditions, have been generally much more conservative and less prone to abandon traditional patterns of living.

Level of income, of course, is the single most important determinant of demand. Income differentials between rural areas in the north and those in certain parts of the south are substantial. For example, average annual cash income per family unit was estimated at $152 in a rural area near the northern city of Zaria,[1] at $660 among cocoa farmers in the West,[2] and at $476 among oil palm kernel producers in the East.[3] Admittedly, the cocoa farmers and palm kernel producers are a somewhat limited and special group in the rural population, but the comparison is nevertheless valid to some extent.

The rural market, however, is very substantial for the so-called trading goods, e.g., sugar, salt, textiles, matches, flour, pots and pans. Trade in these items, in fact, constitutes a large part of the total merchandising done in Nigeria; 15 or 20 million persons, even if they spend only $50 a year, can mean an important market for the right product. Income among agricultural producers has risen and should continue to rise, albeit at a less striking rate than that for urban workers.

At least one American firm, for example, is presently making substantial gains in this market in sales of top quality packaged rice. The brand name product retails at a considerably higher price than competing imported or locally produced rice in Nigeria. Yet both urban and rural consumers, under the impact of an effective sales promotion program, have recognized the difference in quality and are willing to pay more for the superior product. The Nigerian consumer is in fact a very discriminating buyer. Preferences and tastes frequently differ from those of American or European consumers, but the Nigerian buyer generally knows what he wants in a product and, within his means, is willing to pay for what he gets.

POPULATION

The total population in 1953 was 30.8 million persons, excluding the British Southern Cameroons.[4] The excluded area has since become a part of the Federal Republic of Cameroon. Of the total population outside Lagos, 17.2 million were in the Northern Region, 7.2 million in the Eastern Region, and 6.1 million in the Western Region.

Population density per square mile in 1953 was 245 in the Eastern Region, 134 in the Western Region, and 60 in the Northern Region.

Population of some of Nigeria's principal cities in 1953 was as follows, by Federal Territory and by region:

Federal Territory: Lagos—277,000.

[1] Smith, M. G., *The Economy of Hausa Communities of Zaria*, Colonial Research Studies No. 16, H.M.S.O., London, 1955, p. 180.

[2] Galletti, R., Baldwin, K. D. S., and Dina, I. O., *Nigerian Cocoa Farmers*, Oxford University Press, 1956, p. 473.

[3] Martin, Anne, *The Oil-Palm Economy of the Ibibio Farmer*, Ibadan University Press, 1960, p. 31.

[4] Government of Nigeria, Department of Statistics, *Population Census of Nigeria*, 1952–53, Lagos. The results of the 1693 census will be available in 1964.

Northern Region: Kano—130,000; Zaria—54,000; and Katsina—53,000.

Eastern Region: Onitsha—77,000; Port Harcourt—72,000; and Enugu—63,000.

Western Region: Ibadan—459,000; Ogbomosho—140,000; Ife—111,000; Iwo—100,000; Abeokuta—84,000; and Oyo—72,000.

The non-African population in 1953 was placed at 14,800 of whom most were British. That population, by mid-1961, was estimated at 30,850 persons. At present, it is estimated at 40,000 persons.

By mid-1961, the total population was estimated at 35.8 million—19.9 million in the North, 8.4 million in the East, 7.1 million in the West, and 379,000 in Lagos. Nigeria's population today is placed at 40 million. The population may reach 43 million in 1965 and 55 million in 1975, according to one projection.[5]

Nigeria's working population, 1952–53, by occupation and by number of both males and females, was:

	Males	*Females*
Agriculture and fishing	6, 469, 000	5, 188, 000
Administrative, professional, and technical	231, 000	(1)
Trading and clerical	492, 000	1, 439, 000
Crafts	508, 000	(1)
Other	584, 000	(1)
Total	8, 284, 000	6, 627, 000

[1] None.

Source: Nigerian Federal Office of Statistics, *Population Census of Nigeria, 1952–53*, Lagos.

Table 3.—*Value of Gross Product of Manufacturing Sector and of Some Principal Industries, Various Years, and Percent Increase, 1950 to 1960*

[Value in thousands of dollars in constant 1957 prices]

Selected industries	Value				Percent increase 1950 to 1960
	1950	1954	1957	1960	
Manufacturing production, total	8, 762	18, 127	30, 589	43, 820	398
Baking	53	185	588	885	1, 550
Oil milling	1, 018	999	6, 053	7, 308	618
Margarine manufacturing	7	34	51	51	630
Brewing and bottling	773	2, 075	4, 714	7, 840	911
Tobacco manufacturing	3, 908	6, 234	5, 882	6, 132	57
Textile manufacturing	13	140	1, 056	1, 716	1, 350
Rubber processing	55	386	1, 665	3, 858	7, 080
Tanning	17	47	110	113	586
Sawmilling	1, 396	3, 652	4, 288	5, 040	261
Cement manufacturing	0	0	1, 043	3, 248	--------

Source: Nigerian Federal Ministry of Economic Development, *National Development Plan, 1962–68*, Lagos, 1962, page 9.

[5] U.S. Department of Agriculture, Foreign Agricultural Service, *Nigeria—Determinants of Projected Level of Demand, Supply, and Imports of Farm Products in 1965 and 1975* (ERS-Foreign-32), Washington, August 1962, page 115.

PURCHASING POWER

The gross domestic product—GDP—was placed at $1,958 million in 1950 and at $2,864 million in 1960. Both figures are given at 1957 prices. This was an average growth of 4 percent per year in real terms.[6] Nearly 60 percent of the country's income in 1957 was generated in the primary sector of the economy—in agriculture, fishing, and animal husbandry. The largest part of the country's income still comes from that sector. The value of manufacturing production has risen dramatically in recent years, as shown in table 3, but still amounted to only 1.3 percent of GDP in 1960.[7] The GDP in 1957 prices may increase to between $3.4 billion and $3.6 billion in 1965 and to $5.3 billion by 1975, according to a U.S. Department of Agriculture estimate.[8]

Average per capita income in 1960 in Nigeria was estimated at $80. It may rise to $84 per year in 1965 and to $98 in 1975.[9] These figures, of

Table 4.—*Imports of Selected Consumers' Goods, 1955, 1960, and 1962 and Projected, 1967*

[Thousands of dollars]

Commodity	1955 [1]	1960 [1]	1962	1967
Meat, fresh, chilled or frozen	237. 7	1, 028. 1	680. 3	1, 876. 0
Jams, jellies, marmalades, etc	406. 7	1, 582. 0	1, 510. 5	2, 520. 0
Sugar, beet and cane, refined	6, 807. 5	10, 601. 1	9, 038. 3	13, 160. 0
Beer, ale and stout	7, 641. 6	10, 914. 6	7, 911. 8	14, 000. 0
Salt	4, 297. 9	5, 221. 4	5, 634. 5	7, 840. 0
Prepared paints, enamels, etc	1, 821. 6	3, 361. 1	2, 708. 0	8, 120. 0
Miscellaneous medicinal and pharmaceutical products [2]	4, 307. 3	8, 569. 7	9, 501. 4	16, 800. 0
Bottles, flasks, etc	293. 3	1, 225. 1	1, 496. 9	3, 360. 0
Handtools and implements, including agricultural	1, 409. 3	1, 952. 9	1, 783. 3	3, 920. 0
Metal hardware	1, 347. 6	2, 483. 0	2, 156. 8	3, 360. 0
Nails, nuts, bolts, screws, etc	1, 334. 7	2, 200. 9	1, 392. 6	3, 080. 0
Metal stoves, furnaces, etc	206. 9	481. 2	666. 0	1, 120. 0
Typewriters and other office machinery	612. 7	1, 475. 5	1, 802. 2	2, 240. 0
Airconditioning and refrigerating equipment [3]	540. 5	2, 569. 2	1, 961. 2	4, 480. 0
Radio receiving sets, domestic	742. 3	4, 042. 0	2, 474. 5	6, 580. 0
Dry cell batteries	957. 8	2, 634. 1	2, 923. 2	4, 620. 0
Hurricane lamps, oil burning	702. 8	626. 8	627. 0	1, 260. 0
Travel goods, handbags, etc	942. 2	2, 349. 8	1, 966. 0	3, 920. 0

[1] Figures for 1955 and 1960 include former British Trust Territory of Southern Cameroons.

[2] Excluding vitamins and vitamin preparations; bacteriological products, sera and vaccines; penicillin, streptomycin, etc.; opium, alkaloids, etc.; ointments and liniments; and bandages, wadding, etc.

[3] Excluding nonelectric refrigerators.

Source: Unpublished computations of Nigerian Federal Ministry of Commerce and Industry, Economics and Statistics Division (Arthur D. Little Co., Inc., technical advisors).

[6] Nigerian Federal Ministry of Economic Development, *National Development Plan, 1962–68*, Lagos, 1962, page 13.

[7] *Ibid.*, page 15.

[8] U.S. Department of Agriculture, *op. cit.*, page 113.

[9] *Ibid.*, page 115.

course, are low compared with those of major industrial countries but are above average for tropical African countries. By comparison, average income, in 1960, in Turkey was estimated at $195; in Brazil, $196; in Yugoslavia, $225; and in Spain, $293.

Total consumer spending increased 42 percent in 10 years; from $1,706.3 million in 1950 to $2,436 million in 1960. Assuming that consumer expenditure remains at 85 percent of GDP, as it was in 1960, total private consumption in Nigeria may reach $3 billion in 1965 and $4.5 billion in 1975.

The relevance of these income and expenditure data to the market for various types of imported consumers' goods can be seen in table 4. Historic imports of selected items in 1955, 1960, and 1962 are shown, as well as projected imports in 1967.

Probably the most meaningful figure on purchasing power in Nigeria is that on average earnings of wage earners in Government and industry. These workers—outside of the expatriate population—constitute to a large extent the urban buying population. Employment in Government and in private industry establishments employing 10 or more workers totaled 554,200 in 1960. Average annual earnings of these employees amounted to $500.[10] Average monthly earnings of workers in various occupations are shown in table 5.

Since women held in 1960 only 5.1 percent of the total number of wage-earning jobs, each of the 554,200 employees may be treated as head of a household. Therefore, the $500 may be taken as average annual income per household among this wage-earning group. This figure probably understates total cash income per family in this population group, however, since a very large part of the female population is engaged in petty trade both in urban and rural areas and thereby contributed to household cash earnings.

Brisk turnover of portable and table model radios is noted in this Lagos department store

CONSUMER BUYING

Consumption and expenditure patterns vary widely in Nigeria between urban and rural populations and between income groups within these two populations. Extremes in standards of living, of course, are presented on the one hand by the high-income urban groups with consumption patterns very similar to those of Europeans and, on the other hand, by subsistence farmers or nomadic herdsmen in remote areas who may have at best only occasional contact with the money economy.

Differences occurring between income groups within a given environment are attested to by the existence in many Nigerian cities of modern de-

Table 5.—*Employment and Average Monthly Earnings of Workers in Establishments With 10 or More Employees, September, 1960*

Occupation	Employment	Average monthly cash earnings
Administrative, professional, and technical	79,369	$98.51
Sales and clerical	55,641	56.03
Miners, quarry men, and well drillers	32,818	16.78
Craftsmen and artisans	51,047	38.44
Production workers	18,941	27.89
Transport and communications workers	27,575	43.80
General unskilled laborers	177,698	20.69
Other	56,859	32.30
Total	[1] 499,948	41.40

[1] This figure relates to workers for whom returns were received in a survey of employment and earnings. Actual total employment in establishments with 10 or more employees in September 1960 was estimated at 554,200.

Source: Nigerian Federal Office of Statistics, *Report on Employment and Earnings Enquiry*, September 1960, Lagos, page 26.

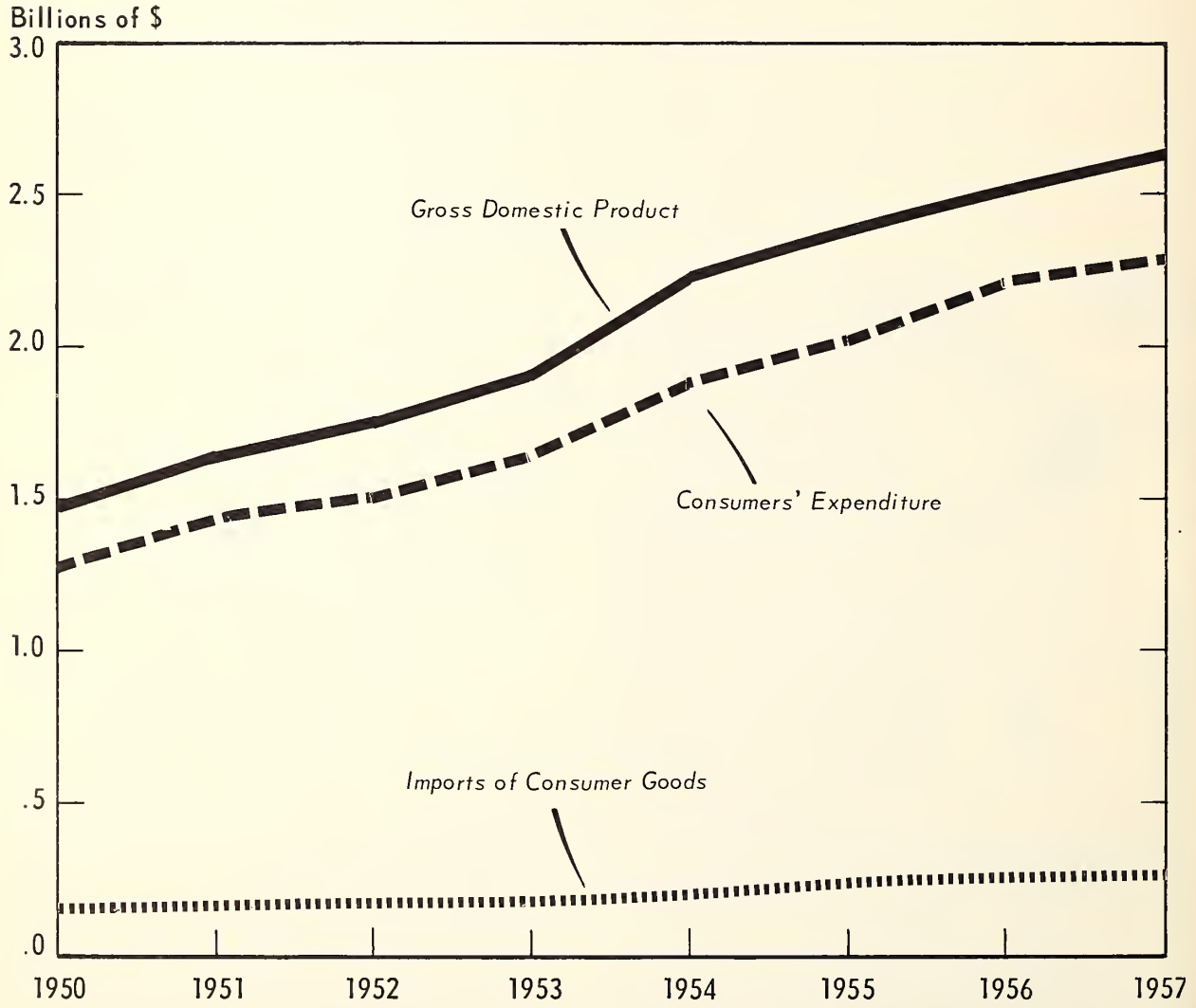
[10] Nigerian Federal Office of Statistics, *Report on Employment and Earnings Enquiry*, Lagos, September 1960, pages 3 and 4.

partment stores often located no farther than a block or two from traditional markets where goods ranging from indigenous foodstuffs to cosmetics and phonograph records are sold from wooden and corrugated sheet-iron stalls.

Perhaps the most obvious trend among Nigerian consumers, however, is the increasing adoption of European tastes and standards of living. Western goods are, in effect, taken as being synonymous with a higher standard of living—and are sought by Nigerians no less avidly than by peoples anywhere else in the world. Consumption patterns are modeled most closely after European standards in the larger cities where the seats of government are located and where there are principal centers of trade and industry.

The tendency to adopt European standards of living is observable, however, to some degree

Gross Domestic Product, Consumers' Expenditure, and Imports of Consumer Goods; 1950 - 57
(in current prices)



Source: P.N.C. Okigbo, *Nigerian National Accounts, 1950 - 57*, Nigerian Federal Ministry of Economic Development, Lagos, 1962; page 22 and 24.

wherever the money economy has penetrated in Nigeria. Bicycles, patent medicines, radios, detergents and scouring powder, Western clothing, cosmetics, and even corn flakes are a part of the everyday life of a wide and increasing segment of the population. Many employees in private business and in government with reasonable prospects for increasing incomes in future years aspire to such material acquisitions as television sets and automobiles. These aspirations are by no means totally unrealistic; a considerable number of higher income Nigerians already possess these items as well as a wide range of other articles, including refrigerators, gas and electric ranges, radio-phonograph combinations, air conditioners, and motorcycles.

In purchasing imported items, the Nigerian consumer ordinarily wants to be sure he is getting the

The Electricity Corporation of Nigeria Building, Lagos

same article as is used abroad. Articles fabricated overseas especially for the African market are often considered by the Nigerian to be of inferior quality. One major supplier of imported beer, for example, was unsuccessful in his efforts to introduce a brand that carried special labels, "Bottled especially for the West African market." Sales of the beer started to increase only after the special label was removed.

If, as may be necessary in some cases, a product is designed to meet particular African conditions, every effort should be made to present it as of superior quality and as having been produced to satisfy those specific African needs.

The Nigerian has a very sharp appreciation of the value of money and is a very discriminating shopper. He considers price carefully and is extremely conscious of quality—especially in articles with which he is familiar. Products of demonstrably high quality, products with established reputations for quality, or products which are valued for some particular feature sell consistently better and at higher prices than merchandise of either actual or reputed inferior quality. Nigerian consumers will ordinarily purchase the highest quality article possible within their means, businessmen report.

Buying for prestige value is prevalent in articles for personal consumption and sometimes occurs in items for business use. A firm distributing office equipment, for example, has stated that when one shop on a street buys a piece of equipment from the company, all similar shops on that street will almost certainly make similar purchases within a short time.

The Nigerian's valuation of any particular product's features may often differ widely from that of the consumer in the United States or Europe. Generally, this is now marked with increasing distance from the relatively sophisticated high-income urban market. In many of the villages in the Northern Region, for instance, wooden matches—a standard trading item all over the country—will not sell unless the sticks are dyed red. These matchsticks are believed to burn better than those of natural-color wood.

Other examples of consumer idiosyncracies in Nigeria are numerous. In many cases, the manufacturer cannot possibly anticipate these factors without a close, firsthand look at the market where his products will be sold. A trip to Nigeria and discussion with persons having extensive experience in the area might well save the prospective American exporter from costly errors in packaging, pricing, distribution, and advertising.

EXPENDITURE PATTERNS

The expenditures of low-income households in several principal cities and of medium-income households in Lagos were surveyed by the Nigerian

Table 6.—*Household Expenditures on Goods and Services in Lagos, 1959–60 Average*

(Expenditure in dollars per month per household at current prices)

Expenditure	Low-income group [1]		Middle-income Group [2]	
	Expenditure	Percent of total expenditure	Expenditure	Percent of total expenditure
Housing	6.13	12.8	18.34	12.5
Food	20.48	43.1	52.63	35.8
Drink	3.58	7.5	14.04	9.5
Tobacco and kola	1.81	3.8	2.20	1.5
Fuel and light	1.47	3.1	4.63	3.1
Transportation	3.54	7.4	12.95	8.8
Clothing	4.56	9.6	14.57	9.9
Other goods	2.93	6.1	11.93	8.1
Other services	3.12	6.6	15.82	10.7
Total	47.63	100.0	147.11	100.0

[1] Basic annual income of $1,120 or less.

[2] Basic annual income of $1,120 to $2,240.

Source: Nigerian Federal Office of Statistics, *Urban Consumer Surveys in Nigeria; Lagos, 1959–60*, Lagos, 1963, pages 11 and 27.

Table 7.—*Household Expenditures on Goods and Services in Enugu and Ibadan, 1955*

(Expenditure in dollars per month per household at current prices)

Expenditure	Enugu [1]		Ibadan [1]	
	Expenditure	Percent of total expenditure	Expenditure	Percent of total expenditure
Housing	2.14	7.2	1.90	6.0
Food	13.73	46.2	16.06	50.2
Drink	3.18	10.7	2.55	8.0
Tobacco and kola	.91	3.1	1.74	5.4
Fuel and light	.98	3.3	.99	3.1
Transportation	.97	3.3	1.74	5.4
Clothing	3.54	11.8	3.19	10.0
Other goods	2.30	7.7	2.28	7.1
Other services	2.00	6.7	1.55	4.8
Total	29.75	100.0	32.00	100.0

[1] Survey was confined to households of clerks, artisans, and laborers with a basic annual income of $980 or less.

Source: Nigerian Federal Office of Statistics, *Urban Consumer Surveys in Nigeria—Lagos (1953–54), Enugu (1954–55) and Ibadan (1955)*, Lagos, pages 25 and 29.

Federal Office of Statistics. Some of the data compiled in these surveys are shown in tables 6, 7, and 8. In the typical urban family, almost half of total cash expenditure is for food, although the range is from one-third for the middle-income group in Lagos to two-thirds for low-income households in northern cities. Clothing ranks next in importance—ordinarily about one-tenth of expenditures. Urban housing, according to these surveys, accounts for one-tenth of expenditures.

Nigerian consumers make significant changes in certain categories of expenditures as incomes increase. In the Lagos area, for example, among consumers whose monthly income ranged from less than $21 to over $77, those in the higher level spent 1,564 percent more on other services than those in the lower group; 700 percent more on other goods; nearly 500 percent more on clothing; and 250 percent more on fuel and light. For middle-income households, that is, those with $1,120 to $2,240 annual income, spending on transportation, housing, and other services rose more rapidly than income.

The largest part of cash expenditures among rural households appears to go for clothing—for textile piece goods which are made into clothing by the purchasers or by local tailors. Most staple food needs are met by each family's own production, but purchases of a number of food items, such as salt, sugar, flour, tea, and coffee, probably comprise the second most important category of expenditures. Perhaps 20 percent of cash income, varying considerably one way or the other depending on total earnings, would remain for all other expenditures.

Food Products

Gari, i.e., ground cassava, is a staple food in the Nigerian diet. Other staples are yams, rice, corn, millet, and plantains.

Consumption of bread and other bakery products in urban areas is substantial and growing rapidly. Local bakeries report that sales in small towns and villages surrounding the larger cities also are increasing.

Protein foods are important in the diet although protein deficiency is widespread. In urban areas, as much as 25 percent of household expenditures for food go toward purchases of meat, fish, and eggs. Fish, both local and imported, constitutes an important part of the diet in most areas of the country; stockfish ranks by a wide margin as the leading category of foodstuffs imported into Nigeria. Fresh meat, locally butchered, is sold in most marketplaces. Frozen meats, mostly imported, and local sausage and bacon are sold in cities at stores equipped with refrigerators. Canned meat, some of which is locally produced, is sold in markets throughout the country, but consumption is greatest in higher income areas.

Consumption of milk has increased greatly in recent years, and imports of evaporated, con-

Table 8.—*Household Expenditures on Goods and Services in Kaduna and Zaria, 1955–56 Average*

[Expenditure in dollars per month per household at current prices]

Expenditure	Basic income group in dollars per month											
	Under $14		$14 to $20.99		$21 to $34.99		$35 to $48.99		$49 and over		All incomes [1]	
	Expenditures	Percent of total expenditure	Expenditures	Percent of total expenditure	Expenditures	Percent of total expenditure	Expenditures	Percent of total expenditure	Expenditures	Percent of total expenditure	Expenditures	Percent of total expenditure
Housing	1.52	6.1	2.28	7.5	3.23	8.5	4.70	10.5	5.84	9.0	2.88	8.2
Food	14.17	61.6	15.90	52.5	17.76	46.7	19.43	43.2	28.25	43.5	17.51	49.8
Drink	.69	3.0	1.20	4.0	2.44	6.4	3.35	7.5	7.00	10.8	2.20	6.3
Tobacco and kola	1.51	6.6	1.86	6.1	1.59	4.2	1.45	3.2	1.60	2.5	1.61	4.6
Fuel and light	1.47	6.4	1.92	6.3	1.95	5.1	2.04	4.5	2.93	4.5	1.90	5.4
Transportation	.43	1.8	.47	1.6	1.82	4.8	1.65	3.7	1.79	2.8	1.06	3.0
Clothing	2.39	10.4	4.30	14.2	5.33	14.0	5.94	13.2	7.77	12.0	4.48	12.7
Other goods	.60	2.6	1.59	5.3	2.26	5.9	4.03	9.0	5.99	9.2	2.17	6.2
Other services	.34	1.5	.77	2.5	1.69	4.4	2.35	5.2	3.68	5.7	1.34	3.8
Total [2]	23.12	100.0	30.29	100.0	38.08	100.0	44.94	100.0	64.85	100.0	35.15	100.0

[1] This survey was confined to households of clerks, artisans, and laborers with a basic annual income of $1,120 or less. [2] Basic income in some cases is less than total expenditure since income shown in column headings does not account for supplemental earnings of household members.

Source: Nigerian Federal Office of Statistics, *Urban Consumer Surveys in Nigeria—Kaduna and Zaria, 1955–56*, Lagos, pages 27, 29, and 45.

densed, and powdered milk have risen in value from $420,000 in 1950 to $6.3 million in 1962. Whole sterilized milk is now being sold in the country, and consumer acceptance reportedly has been satisfactory. Cans of condensed and dried milk are prominently displayed in markets all over the country, and a recent study conducted by the U.S. Department of Agriculture indicates that as much of this milk is sold in rural as in urban areas. According to the same study, evaporated or powdered milk is likely to continue as the fastest growing imported food product for the next 10 to 15 years.

Most Nigerian dishes are highly spiced. Tomato sauce is frequently used in cooking. Much of the canned fish sold in the country, for example, is packed in tomato sauce.

Sweets are popular, but cookies—especially malted milk biscuits—usually are bigger sellers than candy. Northerners, however, are known for having a sweet-tooth, and for preferring peppermint candy.

Frozen foods are sold in the major cities. They are expensive by Nigerian standards and are purchased almost entirely by expatriate and wealthier Nigerian families. An important consideration here, of course, is lack of storage facilities; refrigerators are increasingly common in Nigerian homes, but as yet ownership is limited mostly to the middle- and high-income population.

Table 9.—*Household Expenditures on Food Items in Lagos, 1959–60, and Kaduna and Zaria, 1955–56*

[Expenditures in dollars per household per month at current prices]

Item	Lagos low income[1]		Lzgos middle income[2]		Kaduna and Zaria[1]	
	Expenditure	Percent of total expenditure	Expenditure	Percent of total expenditure	Expenditure	Percent of total expenditure
Staples[3]	8.22	40.2	17.26	32.8	7.80	44.5
Meat, fish, and eggs	7.18	35.0	19.25	36.6	4.57	26.1
Oils and fats	.92	4.5	3.18	6.0	1.21	6.9
Fruits and vegetables	1.65	8.1	4.76	9.1	2.00	11.4
Other foods	1.48	7.2	4.82	9.2	1.20	6.9
Bought meats	1.02	5.0	3.36	6.3	.74	4.2
Total	20.47	100.0	52.63	100.0	17.52	100.0

[1] Basic annual income of $1,120 or less. [2] Basic annual income of $1,120 to $2,240. [3] Includes rice, guinea corn, gari, yams, bread, etc.

Sources: Nigerian Federal Office of Statistics, *Urban Consumer Surveys in Nigeria, Lagos, 1959–60*, pages 16, 17, 30, and 31; *Urban Consumer Surveys in Nigeria, Kaduna and Zaria, 1955–56*, page 33.

Table 10.—*Imports of Food and Food Products, by Principal Supplying Countries, 1955 and 1960–62*

[Thousands of dollars]

Product	1955[1]	1960[1]	1961	1962
Milk and cream, evaporated or condensed, unsweetened	1,089.4	3,340.4	3,714.4	4,431 5
Netherlands	1,000.9	3,247.0	(2)	4,230.5
United Kingdom	66.5	53.9	(2)	97.1
Denmark	16.7	29.1	(2)	83.4
Milk and cream, dried	344.7	1,365.5	1,196.5	1,582.1
United Kingdom	56.5	557.1	(2)	641.8
Netherlands	172.5	507.8	(2)	460.1
Denmark	5.7	192.9	(2)	313.1
United States	106.6	77.1	(2)	106.8
Malted milk compounds	845.9	1,288.3	1,553.9	1,509.0
United Kingdom	827.6	1,262.1	(2)	1,493.1
United States	(3)	(3)	(2)	3.9
Stockfish	13,378.9	22,216.0	21,179.4	20,219.1
Norway	9,464.4	17,483.7	13,567.2	13,367.7
Iceland	3,748.6	4,350.1	7,155.8	5,988.7
Fish, canned; and fish preparations, canned or not	1,401.2	1,814.4	1,936.2	1,710.4
Netherlands	294.5	469.5	(2)	516.0
Morocco	253.3	431.0	(2)	390.2
Japan	64.2	100.5	(2)	299.0
United States	(3)	26.6	(2)	9.5
Wheat and spelt, unmilled	(3)	(3)	(3)	4,312.9
United States	(3)	(3)	(2)	2,891.2
Canada	0	0	(2)	1,421.6
Wheat and spelt, flour, and meal	4,945.2	8,831.3	9,049.5	8,302.2
Canada	789.0	1,435.9	3,119.4	4,452.3
United States	4,122.7	7,257.4	5,787.1	3,509.3
Bakery products other than cabin bread	612.0	1,312.1	1,203.8	1,267.7
United Kingdom	547.8	813.4	(2)	757.0
Denmark	28.8	268.8	(2)	358.6
United States	(3)	14.6	(2)	6.7
Jams, marmalades, jellies, etc	406.7	1,582.0	1,510.5	1,781.0
Italy	301.7	1,426.2	(2)	1,575.4
United Kingdom	61.4	94.0	(2)	94.3
United States	(3)	(3)	(2)	6.2
Sugar, cane and beet, refined	6,807.5	10,601.1	8,405.2	9,038.3
United Kingdom	6,585.2	9,135.4	5,808.7	4,700.3
France	209.3	1,393.6	(2)	1,856.5
Czechoslovakia	0	0	(2)	1,584.1
Sugar, confectionery, except chocolate	953.6	1,333.8	1,140.1	1,046.0
United Kingdom	838.9	784.4	(2)	593.6
Denmark	9.3	163.7	(2)	247.5
Netherlands	79.5	264.4	(2)	152.3
United States	(3)	15.9	(2)	(3)
Salt	4,297.9	5,221.4	5,886.4	5,634.5
United Kingdom	3,003.6	3,590.9	3,646.8	3,747.3
Soviet Zone of Germany	612.5	796.1	1,057.0	947.9
West Germany	678.7	817.9	1,035.0	818.7
United States	(3)	(3)	(2)	4.3

[1] Figures for 1955 and 1960 include former British Trust Territory of Southern Cameroons. [2] Not available. Nigerian import statistics for 1961 do not give complete breakdown by country of origin. [3] Less than $2,800 (£1,000).

Sources: Nigerian Federal Office of Statistics, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigeria Trade Summary*, December 1961 and December 1962.

Small quantities are typical of packaging in Nigeria. Consumers tend to purchase food for immediate needs rather than to keep stocks in the home. The following quantities and retail prices are typical for some items commonly sold in Nigerian markets:

Canned milk	6 ounces	$0.07 to $0.08
Canned margarine	6 ounces	.18
Tomato puree	2½ ounces	.05
Sardines packed in oil	2 ounces	.05
Powdered milk for infants	16 ounces	.70
Instant coffee	2 ounces	.56
Corn flakes	6 ounces	.28

Grocery sections of department stores and larger retail outlets in the principal cities display as great a variety of foods as a typical American grocery store. In the past, these outlets have catered primarily to the expatriate market, but now efforts are being made to attract the Nigerian buyer. Some of these outlets already report that up to 50 percent of food sales are being made to Nigerians.

Expenditures for various food items by typical urban families are shown in table 9.

Imports of food and food products at time of most recent record are presented in table 10.

Table 11.—*Imports of Beverages and Tobacco Products, by Principal Supplying Countries, 1955 and 1960–62*

[Thousands of dollars]

Product	1955 [1]	1960 [1]	1961	1962
Beer, ale, and stout	7,641.6	10,914.6	10,979.4	7,911.8
United Kingdom	2,011.1	4,638.2	5,220.1	4,616.9
Netherlands	2,338.1	3,277.1	2,462.0	1,278.7
West Germany	2,845.0	1,591.2	1,820.3	948.7
Ireland	114.4	965.7	(2)	755.6
Denmark	300.6	422.5	281.1	283.8
Distilled alcoholic beverages	1,236.5	1,757.3	1,310.7	974.9
United Kingdom	720.7	825.0	(2)	494.1
France	220.9	440.8	(2)	296.4
Netherlands	272.1	464.2	(2)	152.6
United States	(3)	(3)	(2)	6.6
Tobacco, unmanufactured	4,476.7	3,307.5	3,613.3	3,300.0
United States	3,453.6	2,754.1	2,955.3	2,995.2
Federation of Rhodesia and Nyasaland	902.5	281.2	554.8	204.1
Cigarettes	320.8	453.4	495.6	379.8
United Kingdom	320.7	423.4	(2)	322.0
United States	(3)	28.6	(2)	54.5

[1] Figures for 1955 and 1960 include former British Trust Territory of Southern Cameroons.

[2] Not available. Nigerian import statistics for 1961 do not give complete breakdown by country of origin.

[3] Less than $2,800 (£1,000).

Sources: Nigerian Federal Office of Statistics, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigeria Trade Summary*, December 1961 and December 1962.

Beverages and Tobacco Products

Beer and stout are by far the most popular European-type alcoholic beverages in Nigeria, and, although consumption per capita is still less than two bottles per year, Nigeria is the brewing industry's best customer in West Africa. Production of the locally brewed Star Beer and Sampson Stout has increased to 5½ million gallons annually. Stout also is produced in Nigeria at a new brewery which opened early in 1963. Output of this plant is 200,000 bottles a day, and sales are expected to displace a significant part of imports. Imports of beer, ale, and stout still amount to $8 million a year. See table 11. Dutch, German, and Danish beers are at present the best selling imports.

Wine, except for the local palm wine, is not a popular drink in Nigeria; imports have remained very small.

The most widely consumed hard liquors are gin, scotch whisky, and brandy. Middle-income families, i.e., those with $1,120 to $2,240 annual income, in the Lagos area spend an average of $17 per year on imported spirits.

The quantity of alcoholic beverages consumed is not so great in the Northern Region as in the Eastern Region or Western Region. The difference is usually attributed to the predominance of the Moslem faith in the north. Some studies have indicated, however, that income may be more decisive than religion in this regard since consumers

Men's clothing, Lagos department store

in higher income groups in the north spend at least as much on beer and other alcoholic beverages as do consumers in comparable income groups in the south.

Several soft-drink bottling plants are in operation in Nigeria, fully meeting local demand. Cola, orange, lemon-lime flavored drinks, and ginger ale are popular.

A large part of the Nigerian market for cigarettes also is being met by local production. Plain, filter-tipped, and mentholated cigarettes are manufactured by the Nigerian Tobacco Company. At its plants in Ibadan, Zaria, and Port Harcourt. Prices are below those of imported cigarettes, but there is still some demand for imports among the middle- and higher-income population. Imported brands are largely British. Consumption in Nigeria is estimated at four cigarettes per day per capita in the smoking-age population. Smoking is not a common habit among Nigerian women.

Clothing

Nigerians, who as a rule are conscious of their appearance, typically have a large investment in clothes. This is especially true in urban areas where many of the men maintain two complete wardrobes—one of traditional dress and one of Western-style clothing.

The Nigerian market for ready-made clothing is divided sharply into an urban market for high-quality garments and a mass market, both urban and rural, for inexpensive goods. The mass market is supplied in large part by imports of secondhand articles. In the mass market, price is ordinarily a decisive consideration. Even here, however, it would be a serious mistake to assume any lack of quality consciousness. Nigerians are familiar in detail with comparable quality and cost. Obviously shoddy goods simply will not sell.

In most of the country, African costumes are still seen more commonly than Western-style clothing, especially among women. In the cities, most men wear shirts and trousers or shorts to work but African costumes for social events and leisure activities. Western clothes are rarely worn to social events and leisure activities except by a small minority of upper-income, mostly foreign-educated Nigerians. The flowing colorful agbadas of southern Nigeria or the white robes of the North are still preferred. Some exception to this preference, however, is found in the Eastern Region where no particular traditional costume was established. As a result, European-style clothing has been more widely adopted in the Eastern Region than in the other regions.

Nigerian imports of clothing, nevertheless, are sizable. See table 12. With Western clothing being worn by a gradually widening segment of the population, the market holds considerable promise for future growth. For example, virtually all schoolchildren—in urban areas at least—are dressed in shirts and shorts or dresses. These children comprise an immediate market for chil-

Table 12.—*Imports of Clothing, by Principal Supplying Countries, 1955 and 1960–62*

[Thousands of dollars]

Product	1955 [1]	1960 [1]	1961	1962
Stockings and hose	261.4	468.7	471.4	524.5
Japan	10.4	250.7	(2)	243.8
United Kingdom	146.5	165.1	(2)	151.1
United States	(3)	(3)	(2)	6.7
Underwear and nightwear, knit or of knitted fabric	1,171.4	1,052.3	660.4	441.6
Hong Kong	33.0	50.6	(2)	332.1
United Kingdom	66.5	119.6	(2)	128.0
Japan	937.8	676.6	(2)	124.2
United States	(3)	5.0	(2)	17.7
Outerwear, knit or of knitted fabrics	363.8	359.3	410.3	659.2
Hong Kong	89.2	54.6	(2)	334.5
United Kingdom	63.4	90.1	(2)	151.2
Japan	33.1	57.3	(2)	54.8
United States	4.6	3.8	(2)	11.8
Shirts, other than knitted	844.9	2,734.5	2 675.0	2,621.8
Hong Kong	575.4	990.4	(2)	976.8
Japan	85.7	986.0	(2)	973.2
United Kingdom	109.1	395.2	(2)	375.0
United States	(3)	21.3	(2)	39.8
Outerwear, other than leather or knitted	614.7	1,731.5	1,638.6	2,012.1
United Kingdom	218.4	793.4	(2)	759.9
Hong Kong	251.1	401.4	(2)	595.5
Japan	26.7	206.4	(2)	144.6
United States	(3)	87.9	(2)	106.7
Waterproof clothing, including plastics	304.6	537.4	562.3	516.9
United Kingdom	174.5	173.0	(2)	230.6
Hong Kong	62.6	204.2	(2)	146.6
Japan	5.2	27.0	(2)	99.4
United States	(3)	11.6	(2)	7.2
Hats and caps	897.2	1,073.9	1085.3	969.1
Czechoslovakia	29.2	446.5	(2)	339.2
France	235.0	152.1	(2)	256.7
United Kingdom	139.5	129.2	(2)	174.0
United States	(3)	10.2	(2)	11.7
Secondhand clothing of all materials	481.7	2,947.0	3,369.5	3,229.0
United States	150.4	2,660.8	(2)	2,800.7
Netherlands	60.1	116.3	(2)	246.5
United Kingdom	269.3	150.4	(2)	147.7

[1] Figures for 1955 and 1960 include former British Trust Territory of Southern Cameroons.

[2] Not available. Nigerian import statistics for 1961 do not give complete breakdown by country of origin.

[3] Less than $2,800 (£1,000).

Sources: Nigerian Federal Office of Statistics, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigeria Trade Summary,* December 1961 and December 1962.

dren's and teenage clothing, and for European clothing of all sizes in the future.

Store managers report that the best and fastest-growing market for new clothing is for children's wear. Many retailers express a strong interest in American lines of children's clothing and welcome inquiries from manufacturers. Infants' and girls' dresses priced to retail from $3 to $8 would be competitive, as would boys' shorts and shirts in the comparable price range.

Men's shirts—both dress and sport—comprise now the largest single category of new readymade clothing imported. Several American brands of shirts among these imports are well known for their quality and their popularity is increasing. Many of these shirts are manufactured by overseas subsidiaries of U.S. firms. Large, bold designs and bright colors are most popular in sport shirts. Colorful, striking designs are also the most popular for women's dresses and skirts.

A market also appears to exist for men's summer weight, wash and wear suits. Business suits carried by leading Nigerian stores are neither well tailored nor fashionably styled by American standards and yet retail in the $55 to $60 price range. A few small shipments of lightweight synthetic fiber suits recently have been handled by some retailers. The suits have sold very well. Managers of these stores state that they should like to be contacted by American manufacturers of attractively styled, competitively priced men's clothing.

Other types of garments for which sales opportunities are reported include women's hosiery and undergarments, lightweight plastic raincoats, knitwear, women's dresses, blouses and skirts, and novelty-type caps and headgear.

Table 13.—*Imports of Textile Piece Goods, by Principal Supplying Countries, 1955 and 1960–62*

[Thousands of dollars]

Product	1955 [1]	1960 [1]	1961	1962
Cotton yarn and thread	2,736.4	2,686.5	3,784.7	3,822.5
India	13.0	945.5	(2)	2,110.3
Italy	285.3	573.7	(2)	816.2
United Kingdom	1,993.8	864.8	(2)	666.5
Cotton fabric, pile finished (excluding fents)	1,912.4	3,682.2	3,747.2	3,414.0
Japan	164.4	3,065.3	3,106.7	2,829.3
West Germany	1,049.7	414.8	476.3	414.7
Soviet Zone of Germany	0	13.5	(2)	65.4
Cotton fabric, grey unbleached	4,877.1	1,111.2	1,418.9	257.3
Hong Kong	0	0	(2)	76.8
China, mainland	297.4	372.3	533.1	63.1
India	4,377.0	590.7	711.1	52.2
Cotton fabric, white bleached	8,509.3	7,618.9	11,342.0	6,857.5
Japan	1,358.3	1,233.1	3,021.4	2,576.5
China, mainland	287.9	2,350.5	3,767.6	1,966.8
United Kingdom	3,657.9	1,392.8	1,833.4	1,033.3
Cotton fabric, printed	15,484.2	29,924.8	31,684.3	22,672.5
Japan	7,014.7	15,756.8	18,085.1	14,140.5
Netherlands	2,891.0	6,940.3	7,708.3	5,592.3
United Kingdom	4,789.8	6,509.9	4,987.7	2,226.1
United States	0	30.5	(2)	28.1
Cotton fabric, piece dyed	6,652.6	12,645.0	15,680.7	12,582.2
Japan	1,087.0	5,708.7	7,377.5	7,131.3
United Kingdom	3,140.5	3,440.4	4,188.6	2,541.4
China, mainland	(3)	762.3	(2)	840.0
United States	0	6.8	(2)	3.9
Cotton fabric, color woven	13,057.3	7,608.3	10,144.3	6,450.5
Japan	3,830.6	2,415.2	4,675.2	2,770.4
India	7,086.3	3,475.4	3,587.6	2,037.8
United Kingdom	772.7	328.4	378.3	602.8
United States	(3)	6.5	(2)	4.2
Woolen and worsted fabrics	729.7	3,101.3	2,913.9	3,034.8
Japan	15.7	1,598.3	(2)	1,914.8
United Kingdom	518.9	1,053.1	(2)	974.7
United States	(3)	9.5	(2)	38.4
Fabrics of spun synthetic fibers, printed	18,274.4	13,314.4	11,104.7	6,039.9
Japan	14,194.9	12,479.5	10,593.7	5,662.8
Italy	1,344.7	285.5	221.9	111.7
United Kingdom	683.8	173.2	125.6	100.5
United States	10.2	18.5	(2)	15.9

[1] Figures for 1955 and 1960 include former British Trust Territory of Southern Cameroons.

[2] Not available. Nigerian import statistics for 1961 do not give complete breakdown by country of origin.

[3] Less than $2,800 (£1,000).

Sources: Nigerian Federal Office of Statistics, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigeria Trade Summary*, December 1961 and December 1962.

Textile Piece Goods

The size of the market for cotton piece goods is five or six times that for readymade garments. Cloth traditionally constitutes the country's leading import among consumer goods. Imports of principal types of piece goods for recent years are shown in table 13.

Deep bright colors in bold printed patterns are most popular in the South. In the North, almost all the robes are white, although in certain areas of this region cotton cloth dyed and processed locally to a deep indigo blue is worn. The Yoruba people of the West tend to prefer printed patterns in various shades of blue.

The textile market is extremely complex and sensitive with regard to changing preferences in patterns and shades. Wholesalers and agents in the trade have developed close contacts with the market to follow fashion trends. One wholesaler who has dealt in textiles for over 20 years, for example, reports that he still finds it necessary to check out new patterns with his principal customers (market women who also sell at wholesale) before ordering in large quantities.

Japan is the principal supplier of textile fabrics

at the present time. In addition, Japanese-made polyester piece goods and ready-made clothing are displayed. Japanese textiles have recently been subject to import licensing. As a consequence, sales may be drastically curtailed.

Wax block prints from the Netherlands have maintained their traditional popularity, however, and large quantities of material are also brought in from the United Kingdom.

Some high-quality cotton fabrics from the United States have recently been introduced in the Nigerian market with considerable success. As an indication of the wide range of goods being sold in the country, some leading retail outlets are now handling American-made, prepleated material for women's skirts.

Nigerian textile imports can be expected to decrease as local production increases. Large-scale textile factories are now operating in the Northern Region and in the Western Region near Lagos, producing white shirting and grey baft. Additional plants are in the advanced planning stage. A printing plant to process locally made fabrics is now under construction, and one of the existing factories plans to add printing facilities soon.

Furnishings and Household Goods

One of the most promising markets is that for household furnishings and appliances. Housing standards have risen in urban areas. Salaried employees in the middle- and upper-income brackets purchase a wide range of amenities for the home.

A middle-income, urban family, for example, might live in a two- or three-room, cement-block house equipped with running water, electricity, and sanitary plumbing. There will be cotton throw rugs or linoleum on the floor, draperies of some sort over the windows, pictures and mirrors on the walls, and miscellaneous decorative items. Furnishings typically include an upholstered living room suite, a dinette set, lamps, wooden chairs, and steel-frame beds.

The major part of the Nigerian population, of course, lives in rural areas and gets by with a great deal less in the way of home furnishings than does the middle income urban family. Still, businessmen report that even in rural areas—especially in the southern part of the country—demand is appreciable for many inexpensive household items. Practically every household, for instance, is equipped with an assortment of aluminum or enamelware pots and pans and with plastic bowls, cups, and buckets of various sizes and shapes.

Moreover, this market will almost certainly grow with the gradually increasing level of incomes; amenities for the home are usually given priority after food and clothing.

Larger city stores have attractive displays of living room, dining room, and kitchen furniture. Much of that furniture is manufactured locally. A large part of the furniture sold is styled along conservative lines, and wooden pieces are commonly finished in mahogany or similar dark shades. Modern furniture of the Scandinavian type finished in walnut and light colored woods,

Table 14.—*Imports of Furnishings, Household Goods, and Appliances, by Principal Supplying Countries, 1955 and 1960–62*

[Thousands of dollars]

Product	1955 [1]	1960 [1]	1961	1962
Carpeting, rugs, etc	293.6	663.0	896.0	852.2
United Kingdom	164.2	318.1	(2)	309.6
Italy	20.3	147.2	(2)	222.8
United States	(3)	(3)	(2)	4.1
Tableware and household articles of glass, clay, chinaware, etc	1,348.0	2,007.9	1,785.9	1,299.3
United Kingdom	400.3	576.8	(2)	352.6
Japan	425.8	430.9	(2)	294.9
United States	(3)	7.5	(2)	5.5
Household utensils, iron and steel, enameled	7,146.3	6,390.6	7,715.0	5,674.3
Hong Kong	2,763.9	4,561.3	5,506.2	4,385.1
Czechoslovakia	633.2	569.8	786.3	417.8
United States	(3)	(3)	(2)	3.7
Household utensils, iron and steel, galvanized, and other	757.7	1,112.2	988.1	798.1
United Kingdom	458.8	329.6	303.9	279.9
Poland	36.0	164.0	172.9	161.7
United States	(3)	10.4	(2)	16.7
Table and kitchen knives, forks, etc	343.4	604.8	629.9	495.5
Japan	4.7	228.0	207.3	169.4
United Kingdom	116.4	159.5	165.4	145.0
West Germany	142.7	125.6	143.2	129.5
Metal stoves, furnaces, etc	206.9	481.2	600.3	666.0
United Kingdom	106.9	207.4	251.3	282.7
Italy	0	21.4	(2)	100.0
United States	(3)	5.0	(2)	31.0
Sewing machines, household	1,258.8	1,447.1	1,215.5	741.4
Japan	107.1	257.2	424.5	343.2
United Kingdom	1,079.4	1,133.3	624.0	174.3
France	(3)	(3)	(2)	90.9
Air conditioning and refrigerating equipment, excluding non-electric refrigerators	540.5	2,569.2	2,313.8	1,961.2
United States	258.1	1,993.5	1,683.4	1,580.7
United Kingdom	153.5	295.3	371.8	250.9
Refrigerators, not electric	879.0	1,902.3	1,352.9	959.1
United Kingdom	828.3	1,035.4	(2)	420.1
United States	43.2	508.5	(2)	231.4
Italy	0	125.1	(2)	180.8
Electrothermic apparatus, including domestic appliances	682.7	1,142.7	1,096.0	1,191.4
United Kindgom	586.5	936.9	(2)	873.4
United States	4.9	10.3	(2)	65.1
West Germany	11.8	113.0	(2)	49.7

See footnotes at end of table.

Table 14.—*Imports of Furnishings, Household Goods, and Appliances, by Principal Supplying Countries, 1955 and 1960–62*—Continued

Product	1955[1]	1960[1]	1961	1962
Portable electric appliances, domestic	125.8	453.8	469.6	387.4
United Kindgom	92.4	232.5	(2)	161.0
Japan	(3)	46.9	(2)	96.4
United States	4.0	34.6	(2)	15.0
Hurricane lamps, oil-burning	702.8	626.8	852.1	627.0
West Germany	147.6	265.5	(2)	310.8
Soviet Zone of Germany	83.4	208.6	(2)	228.8
United Kingdom	353.5	78.1	(2)	57.2
Lighting fixtures, etc	335.8	739.6	675.3	689.2
United Kingdom	298.2	589.6	(2)	535.1
West Germany	9.8	42.7	(2)	40.6
United States	(3)	4.5	(2)	12.3
Wood furniture and fixtures	76.8	334.3	494.7	368.6
United Kingdom	57.2	172.4	(2)	119.9
France	(3)	3.3	(2)	47.4
United States	(3)	6.0	(2)	42.0
Metal furniture and fixtures	1,384.0	4,188.1	3,565.2	2,341.0
United Kingdom	1,341.2	3,944.6	(2)	1,976.6
France	10.8	18.4	(2)	109.9
United States	4.4	43.8	(2)	52.5
Hardware	1,347.6	2,483.0	2,434.7	2,156.8
West Germany	652.1	873.5	786.7	798.7
United Kingdom	515.8	932.0	831.6	772.2
Japan	74.8	216.7	150.0	235.6

[1] Figures for 1955 and 1960 include former British Trust Territory of Southern Cameroons. [2] Not available. Nigeria import statistics for 1961 do not give complete breakdown by country of origin. [3] Less than $2,800 (£ 1,000).

Sources: Nigerian Federal Office of Statistics, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigeria Trade Summary*, December 1961 and December 1962.

Table 15.—*Electricity Corporation of Nigeria—Sales and Consumers, by Region and Type of User, 1962–63 and Totals 1952–53, 1957–58, 1962–63*

Region	Residential, 1962–63	Commercial and industrial, 1962–63	Miscellaneous, 1962–63	Total		
				1952–53	1957–58	1962–63
	Sales (millions of kilowatt-hours)					
Lagos and suburbs	104.1	110.4	1.2	42.2	86.3	215.7
North	30.6	63.4	1.5	12.9	38.8	95.5
East	40.6	78.8	1.7	13.3	37.7	121.1
West (excluding Lagos suburbs)	29.5	58.8	2.9	7.9	28.1	91.2
Total	204.8	311.4	7.3	76.3	190.9	523.5
	Number of consumers (as of March 31st)					
Lagos and suburbs	34,889	7,483	1,463	17,810	29,583	43,835
North	24,573	5,908	589	11,093	19,745	31,070
East	21,427	4,320	797	7,616	12,853	26,544
West (excluding Lagos suburbs)	26,917	12,036	601	6,821	19,183	39,554
Total	107,806	29,747	3,450	43,340	81,364	141,003

Source: Electricity Corporation of Nigeria, Lagos.

Note: Year runs from April to March.

however, is becoming increasingly popular.

Electric appliances for 230 volt, 50 cycle current and gas appliances supplied by bottled gas are also prominently displayed and enjoy a good market in urban areas. Larger appliances are bought primarily by higher income families. Prestige is often attached to ownership of household appliances. Most of the refrigerators and stoves sold are smaller models. Two- and 3½-cubic-foot refrigerators, for example, are very popular.

Air conditioners, of course, are prominent among Nigeria's imports of electrical appliances. See table 14. Most American lines are represented in the country, and these products are generally recognized for their quality and durability. The United States, as a result, holds the lead in this market by a wide margin at the present time. But British, Japanese, and German air conditioning units are beginning to appear.

Small appliances, such as irons and electric tea kettles, sell steadily and at a good volume in the cities. Some American lines are represented in the market, but most of the smaller appliances shown in stores are British brands and are relatively high priced. It is widely believed that sales opportunities would exist for attractively styled, less expensive American products in the small appliance field. Typical retail prices for some of these items now being sold in Nigeria are:

Electric toasters	$20.30
Electric tea kettles	18.20
Electric coffee makers	8.40
Electric irons	9.50
Electric steam irons	13.95–16.10
Electric mixers	8.25

Some impetus to sales of electric goods will be given by increases in electrical generating capacity and transmission facilities programed under Nigeria's economic development plans. Sales are limited in some areas presently by lack of installed electricity or by the high cost of electricity. Growth of electricity consumption in Nigeria in recent years can be seen in table 15.

There is a mass market for kerosene appliances of all sorts. Lanterns, cook stoves, and irons, for example, are sold all over the country. Villagers in even the most remote areas are likely to possess these basic items. Most of these articles presently being marketed are very low-priced and are not of exceptional quality. There should be some demand for more attractively styled and better constructed lines.

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Table 16.—*Projected Demand for Household Appliances, 1964–68*

[In number of units]

Year	Refrigerators		Radios		Stoves		Water heaters		Fans	
	Maximum	*Minimum*	*Maximum*	*Minimum*	*Maximum*	*Minimum*	*Maximum*	*Minimum*	*Maximum*	*Minimum*
1964	15,900	12,000	208,000	156,000	15,900	12,000	15,900	12,000	31,800	24,000
1965	16,600	12,500	218,000	164,000	16,600	12,500	16,600	12,500	33,200	25,000
1966	17,200	13,000	228,000	172,000	17,200	13,000	17,200	13,000	34,400	26,000
1967	17,900	13,500	238,000	180,000	17,900	13,500	17,900	13,500	35,800	27,000
1968	18,500	14,000	248,000	188,000	18,500	14,000	18,500	14,000	37,000	28,000

Note: Estimates based on historic demand patterns plus demand calculated to be generated by Nigerian 6-year Development Plan. Projections for maximum demand assume that all projects called for in the plan are fully carried out; minimum demand figures assume 50 percent to 75 percent implementation.

Source: Nigerian Federal Ministry of Commerce and Industry, Economics and Statistics Division Survey of Construction Products in Nigeria, Lagos, 1963. Unpublished working paper. Arthur D. Little Co., technical advisors.

Kitchen equipment, Lagos department store

Estimated demand for some types of household appliances through 1968 is shown in table 16.

Radios, Phonographs, and Television Sets

Radios are extremely popular, and the number of sets operating in the country is estimated to be as high as 1½ million. Most sets sold today are table models or transistorized portables. They are supplied primarily by Japan and the Netherlands. Almost all are equipped to receive the standard broadcast band and at least one shortwave band; the more expensive models have three shortwave bands. Prices range from $17.50 up. The Nigerian buyer, no less than the American audiophile, is attracted by multiple speakers, push-buttons, and control knobs.

Phonographs are also very popular and, again, portable or table models are the best sellers. One company has recently introduced with great success a portable, battery-powered, transistorized, 3-speed phonograph which retails for $32.20.

The larger part of phonograph record sales are of "high-life" and other local music, but American jazz also is very popular. Records are quite expensive, 12-inch LP's retailing for upward of $6; low-cost American popular and jazz records might find a ready market here.

Television sales are severely limited because of the high cost of the sets. Ownership is restricted to the principal cities where broadcasts may be received. There are probably only about 13,000 sets in the country at the present time. Television is another prestige item, however, so that sales of inexpensive sets might increase in the future to a greater extent than the level of consumer income would indicate.

Television broadcasting in Nigeria is operated on Western European standards so that American sets, to be marketable, would have to be adapted to these standards.

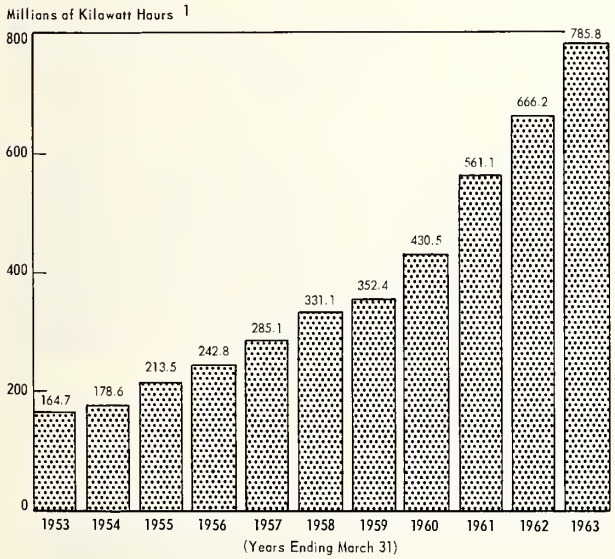
Data on imports of radios, phonographs, and phonograph records are presented in table 17.

Cosmetics and Drug Items

Virtually all types of cosmetics and medicinal preparations enjoy a strong market in Nigeria. Modern, attractively set up drug and cosmetics counters are to be found in department stores and pharmacies. Traders in the local markets all over the country display a variety of these goods ranging from perfume to tonics and cough medicine.

Sales of cosmetics have risen sharply in recent years, and competition has intensified accordingly. Businessmen in Nigeria anticipate continued rapid growth as increasing numbers of women are employed in stores and offices. Cosmetics, at least some of the more expensive types, are a prime example of a consumer item for which the market

Electricity Generated in Nigeria, 1953-63



1/ Includes production by Electricity Corporation of Nigeria, Nigerian Electricity Supply Corporation, and private industrial firms.

Source: *Annual Abstract of Statistics 1961*, page 38, Nigerian Federal Office of Statistics, Lagos, August 1961; and *Digest of Statistics*, July 1963, page 68, Nigerian Federal Office of Statistics, Lagos.

Table 17.—*Imports of Radios, Phonographs, and Phonograph Records, by Principal Supplying Countries, 1955 and 1960–62*

[Thousands of dollars]

Product	1955 [1]	1960 [1]	1961	1962
Radio receiving sets, domestic	742.3	4,042.0	3,634.6	2,474.5
Japan	(2)	906.2	(3)	1,150.9
West Germany	171.0	1,180.5	(3)	534.6
Netherlands	187.5	695.3	(3)	421.1
United States	4.7	(2)	(3)	34.4
Phonographs	556.3	382.3	368.8	92.9
United Kingdom	512.9	241.7	(3)	57.3
Netherlands	30.5	57.8	(3)	26.7
Japan	4.2	9.3	(3)	3.5
Phonograph records	574.6	646.5	588.5	549.6
United Kingdom	403.7	410.0	(3)	375.1
Netherlands	60.4	173.4	(3)	98.8
West Germany	77.2	26.8	(3)	24.9
United States	(2)	3.4	(3)	7.5

[1] Figures include those for former British Trust Territory of Southern Cameroons. [2] Less than $2,800 (£1,000). [3] Not available; Nigerian import statistics for 1961 do not give complete breakdown by country of origin.

Source: Nigerian Federal Office of Statistics, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigeria Trade Summary*, December 1961 and December 1962.

has broadened significantly. These imports were formerly purchased almost exclusively by the expatriate population, but an increasing percentage is now sold to Nigerian buyers. Toilet soaps, hair preparations, petroleum jelly, skin creams, face powder, and talcum powder are perhaps the leading sellers at present. Probably less than half of the shampoo imported is now sold to Nigerians, but the percentage is increasing steadily. Sales of lipstick, nail polish, and deodorants are somewhat limited at present, but, again, businessmen expect an upturn.

As a rule, lighter shades of cosmetics are preferred in the North, while darker shades sell better in the South. One American firm manufacturing cosmetics in Nigeria believes it is necessary to develop three distinct color ranges for effective coverage of the market—one for the East, one for the West, one for the North.

Perfume is in demand in the northern region where, characteristic of areas in the Sahara and North Africa with predominantly Moslem popu-

Imports of phonograph records in 1962 topped $500,000

lations, per capita consumption is high. Many of the consumers, incidentally, are men. Large selections of perfume are displayed in northern markets. Much of the perfume is manufactured locally. Perfumes selling in volume are inexpensive brands, but there appears to be some demand for moderately priced imported lines. Store managers in the North report that customers in upper income brackets will spend as much as $17 for a small bottle of high quality imported perfume; it is evident, however, that the market for perfumes in this price range would be small.

Nutritional products account for a very large proportion of the drug items sold in Nigeria. Dietary deficiencies are common; intake of protein and iron-giving foods is generally low, so that tonics and medicines claiming high iron content are popular. There is some preference for preparations in liquid form over those in tablet form. Children and expectant mothers constitute the largest market for vitamins and dietary supplements.

Cosmetics Lagos department store where many American products are displayed

Various types of salves, medicated powders, and liniments are sold throughout the country. Heat generating rubs are very popular in the northern region where they are used particularly by the nomadic population to keep warm during the relatively cold nights of the harmattan. Laxatives are used very widely—more frequently and in much stronger doses than is common in the United States or Europe—because of the high starch content of the typical Nigerian diet.

Packaging in very small quantities is an important feature of the mass market for drug and cosmetic items. Face powder, for example, is commonly put up in small containers to retail for 2 shillings ($0.28). Traders in the market places often break packages to sell items individually—headache tablets are sold two at a time in many areas.

Data on imports of cosmetics and drug items are presented in table 18.

Other Consumer Items

Many other types of consumer items, of course, are being sold, and the market for these goods is gradually broadening and changing. Businessmen report that buyers, especially in urban areas, are increasingly willing to try new products and new brands. Store managers point out, for example, that children's tricycles are being sold now whereas 5 years ago they were unknown on the market. Books, periodicals, and educational materials in general have been selling well in recent years and appear to offer strong growth possibilities for the future; this also serves to indicate something of the qualitative changes which are taking place in the market.

Table 18.—*Imports of Cosmetics and Drug Items, by Principal Supplying Countries, 1955 and 1960–62*

[Thousands of dollars]

Product	1955 [1]	1960 [1]	1961	1962
Perfumed alcohols	40.3	51.3	77.6	58.9
United Kingdom	19.8	29.8	(2)	26.3
France	9.9	12.1	(2)	23.7
West Germany	7.0	5.4	(2)	5.1
Dentifrices	78.1	213.2	175.0	203.3
United Kingdom	75.1	180.9	(2)	174.1
Netherlands	(3)	15.3	(2)	13.4
West Germany	(3)	(3)	(2)	7.9
Talcum and dusting powders	326.8	330.5	341.2	219.1
United Kingdom	319.5	304.5	(2)	173.3
Italy	0	4.9	(2)	16.2
Japan	(3)	16.8	(2)	12.9
Scented greases and pomades	540.1	129.6	112.6	97.4
United Kingdom	516.6	116.2	(2)	78.3
United States	0	(3)	(2)	6.5
Belgium and Luxembourg	0	0	(2)	3.4
Other perfumery, etc	513.8	795.1	719.4	464.3
United Kingdom	445.2	652.8	(2)	304.8
United States	(3)	20.6	(2)	33.7
India	6.6	21.8	(2)	32.6
Toilet soap, including medicated soap	354.0	731.2	650.8	633.8
United Kingdom	327.3	607.2	(2)	498.2
Netherlands	10.2	72.9	(2)	75.9
West Germany	4.6	41.3	(2)	51.5
Vitamins and vitamin preparations	57.2	144.4	118.9	164.4
United Kingdom	46.3	126.3	(2)	84.4
Israel	0	5.5	(2)	51.3
West Germany	(3)	4.6	(2)	12.7
Ointments and liniments	840.3	2,107.4	1,958.4	1,643.6
United Kingdom	669.2	1,298.0	(2)	1,066.1
Belgium and Luxembourg	22.0	398.9	(2)	382.8
United States	(3)	52.9	(2)	78.1
Bandages	708.8	603.6	590.6	545.9
United Kingdom	705.0	591.8	(2)	519.4
United States	(3)	2.8	(2)	22.4

[1] Figures include former British Trust Territory of Southern Cameroons.
[2] Not available. Nigerian import statistics for 1961 do not give complete breakdown by country of origin.
[3] Less than $2,800 (£1,000).

Sources: Nigerian Federal Office of Statistics, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigeria Trade Summary*, December 1961 and December 1962.

CHAPTER III

Market for Producers' Goods

FACTORS IN A MARKETING APPROACH

Machinery, transportation equipment, and building and construction equipment and materials comprise what has traditionally been one of the largest and most steadily expanding import markets in Nigeria. In 1962, machinery and transportation equipment alone brought into the country amounted in value to $135 million—nearly a quarter of the total imports for the year. With the relatively favorable outlook for continued growth of private investment on the one hand, and with the very large public investments programed under the 6-Year Plan on the other, the market for producers' goods should maintain its upward trend.

While the overall picture for this market is strong, it is necessary to point out that vigorous sales efforts will be required to increase the U.S. share. American technical equipment, of course, is widely known for its high quality and durability, but it is also a fact that delivered prices of these U.S. goods are often significantly above those of foreign competitive products. Consequently, it would be unrealistic to expect a significant increase in sales of this American equipment and material to be generated entirely by demand—such an increase can only be developed by active selling on the part of American manufacturers. A firm seeking to enter this field will find it absolutely essential to establish an effective distribution, servicing, and sales promotion capability in the country.

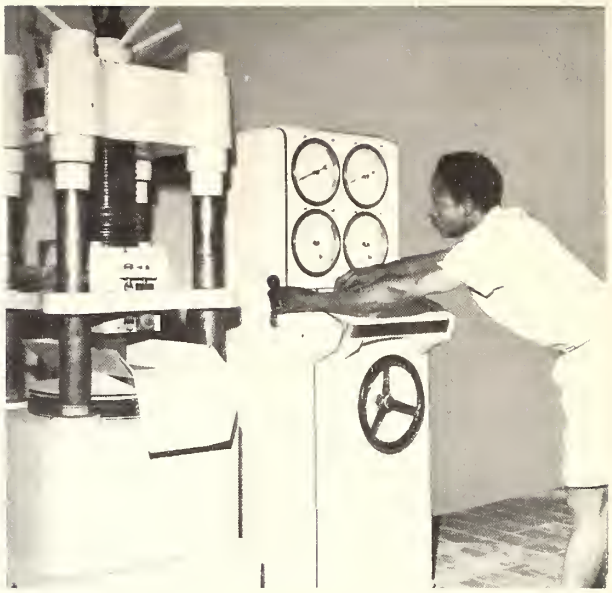
This is a tremendously competitive market. Japanese as well as German, British, and other European firms and export associations have technical and sales personnel permanently assigned in Nigeria to ensure that proper personal contacts are made, that correct installation of equipment is made, and that after-sales servicing is adequate. Firms attempting to enter the capital equipment market have found it necesary to adopt aggressive and sometimes unconventional marketing and financing techniques. One German manufacturer of large offhighway construction trucks, for example, recently made arrangements with one of the leading expatriate technical companies in Nigeria to supply on a consignment basis a stock of trucks with the necessary inventory of spare parts. The technical company was unwilling to take the agency for the German trucks if its own capital were to be tied up in maintaining the expensive stock of equipment and replacement parts. The German firm, therefore, had no alternative but to carry the inventory in Nigeria on its own account in order to have its product represented by a company with adequate distribution and servicing facilities.

The present position of British and other European machine manufacturers is strengthened by several factors. One factor is that most of the industrial and construction equipment in Nigeria prior to independence was brought in by the British and was of British manufacture. Another factor is that almost all Nigerians in technical and managerial positions have received their training and education in England; they are familiar with British equipment and materials and are prone to specify these items for the jobs or operations with which they are concerned. In addition, British standards are used for all physical specifications. Equipment and materials, to be useable in Nigeria, must in most cases conform to these standards, which differ significantly from those in the United States. Still another factor is that the major part of the privately financed industrial development in Nigeria today is being undertaken by British and European investors who are likely to equip the new plants with machinery from their home countries.

The position of European machine manufacturers in the Nigerian market, however, is changing—albeit gradually. For example, Nigerian engineers and other professional persons now are receiving advanced training in the United States under the participant training program of the Agency for International Development (AID) or under private auspices. They are learning about new American processes, equipment, and materials, some of which they will certainly find suitable for use in Nigeria. In addition, several American architectural and engineering firms have now established offices in Nigeria. This should lead to increased usage of various U.S. building and construction components and systems. Finally, American investors are taking an increasing part in the development of industry in Nigeria so that the range of U.S. manufacturing and processing equipment installed in the country is widening.

The U.S. AID program should also be mentioned as it relates to sales of American capital goods in Nigeria.[1] The program will be important in a longrun context, of course, for it accelerates the rate of economic and social progress in Nigeria and contributes to growth of effective demand for a wide range of commodities. But the program is of immediate significance as well, particularly to producers of capital equipment and educational materials, since procurement of necessary materials and services for AID-financed projects is normally tied to U.S. sources.

Heaviest emphasis of the AID program in Nigeria is in agriculture, education, and industry. Commitments for grants and technical cooperation in continuing projects in these three fields during fiscal year 1963 amounted to $15 million. Most of this amount is in the form of technical assistance and training, but some funds are allocated for purchase of such items as books, laboratory equipment, training aids, and demonstration equipment and for construction of new schools and buildings. Loans made for individual capital projects form a more important part of the AID program from a capital equipment and materials standpoint. Among these loans is one of $12.1 million for improvement and expansion of the Ibadan water supply system and another of $8.6 million for road development in the Calabar area. This aspect of the program will expand in the near future since the United States has pledged to make available some $225 million to the Nigerian Federal and Regional Governments for projects scheduled under the 6-Year Plan.



Steel mill laboratory

As a rule, the market for very specialized industrial and processing equipment is not large. The manufacturing sector is expanding, however, and sales opportunities are increasing in some of the rather specialized lines; for example, quite a large number of Nigerian firms are established in printing, baking, lumber milling, furniture making, and processing and manufacturing of rubber and rubber products.

Greatest opportunities, however, appear to lie in the market for general industrial machinery; for example, electric motors, grinders and polishers, materials handling equipment, air compressors, general metalworking and woodworking machinery and handtools. Machinery of this sort is used in practically all types of shops and factories and will be needed increasingly as existing industry modernizes and expands and as new plants are established.

Demand is also strong for replacement machinery in plants already operating. The usable life of tools and machinery in Nigeria is reported by plant managers to be considerably shorter than in many other parts of the world. Equipment

[1] For a discussion of the AID program in Africa as a whole, see "The AID Program: Implications for U.S. Business in Africa" in *Africa—Sales Frontier for U.S. Business*, Washington, D.C., 1963, a special U.S. Department of Commerce report available for $1 at any Commerce Department Field Office or from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402.

tends to deteriorate under the hot, humid, conditions that prevail in most of the country unless special maintenance measures are taken. Tools and machinery receive hard usage in many factories.

The market for building and construction equipment and materials also is strong and growing stronger. The pace of building has been very rapid in recent years with new offices, plants, and homes springing up in the principal governmental and commercial centers. Steadily increasing needs for housing in urban areas, new manufacturing industries, and publicly financed building and construction projects called for in the development plan indicate that the high level of construction activity will continue. It has been estimated, for instance, that construction costs will account for $336 million to $420 million of the total capital expenditure envisioned under the 6-Year Plan.[2]

Accurate statistics regarding the growth of construction activity in terms of building starts or square feet of housing constructed are not available for all of Nigeria. Historic and projected consumption figures for certain construction materials, however, are given in table 19. These figures indicate the expansion in activity that has taken place and that is anticipated.

Table 19.—Consumption of Construction Materials, 1954, 1960, 1962 and Projections, 1965 and 1968 [1]

Material	1954	1960	1962	1965	1968
Cement---1,000 tons--	368	761	835	1,184	1,300
Linoleum and similar floor covering materials--1,000 sq. yds.[2]	185	847	1,147	1,495	1,843
Asbestos cement corrugated and flat sheeting 1,000 tons--	8.4	21.4	28.7	39.7	43.9
Paints, varnishes, and lacquers 1,000 tons--	2.63	6.38	7.62	11.64	12.99
Window glass million sq. ft--	2.46	5.57	5.72	9.33	10.38
Reinforcing bars and rods-----1,000 tons--	12.7	38.4	47.1	73.1	81.8
Metal hardware tons--	1,642	2,914	2,490	3,200	3,440
Sanitary fixtures $1,000--	339	1,145	1,448	2,142	2,377
Insulated cable and wire----------tons--	837	3,630	4,146	6,278	6,992

[1] The 1965 and 1968 figures are projections of historic data adjusted to account for estimated requirements of projects under the 6-Year Plan.

[2] The 1965 and 1968 figures do not take into account requirements of projects under the 6-Year Plan.

Source: Nigerian Federal Ministry of Commerce and Industry, Economics and Statistics Division, *Survey of Construction Products in Nigeria*, Lagos, 1963. Unpublished working paper. Arthur D. Little Co., technical advisors.

Since American engineering, architectural, and construction firms are becoming more active in Nigeria, sales of certain types of U.S. building and construction components should improve. Opportunities appear particularly strong for sales of sanitary and kitchen plumbing and fixtures, electrical switches and outlet boxes, plastic or aluminum conduit for household wiring, and plastic and rubber composition floor tile. Most of these items currently on the market are of British or European manufacture and, by American standards, are poorly styled and not especially well built. Plumbing and electrical items, of course, must conform to British specifications to be marketable.

Electrical current in Nigeria is 230-volt, 50-cycle, single phase and 400-volt, 50-cycle, three phase.

In some of these lines, American products already enjoy a strong competitive position. One U.S. brand of electric hot water heater which is being installed in much of the new construction, for example, retails at about $110 as opposed to

[2] Nigerian Federal Ministry of Commerce and Industry, Economics and Statistics Division, *Survey of Construction Products In Nigeria*, Lagos, 1963, page 16. Unpublished working paper. Arthur D. Little Co., technical advisors.

New cement plant, near Enugu. See map, Location of Some Principal Industries
Eastern Nigerian Ministry of Information

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$210 for comparable models imported from other countries.

The market for commercial vehicles is now and should continue to be strong and fast moving. Highway transport accounts for more traffic than all other forms of transportation combined—nearly two-thirds of all freight traffic and over nine-tenths of the passenger traffic is carried by truck or bus. Further, the importance of road transport in Nigeria's transportation system appears to be increasing so that, with the growing demands being placed on the system by progress in both manufacturing and agriculture, the country's requirements for commercial vehicles should rise steadily in coming years.

The number of trucks and buses registered at the beginning of 1963 was estimated at 29,000; total vehicle registration was as follows:

	Trucks and buses	*Passenger cars*	*Total*
January 1962	27,000	42,000	69,000
January 1963	29,000	46,000	75,000

Most of these commercial vehicles are of British manufacture—Austin, Bedford, Morris, and Land Rover, by descending order of popularity. Mercedes Benz trucks also occupy a strong position in the market, with sales rivaling those of some of the leading British makes.

The most common form of road transport is the well-known mammy wagon—a truck chassis on which a locally built wooden body that is suitable for carrying both passengers and freight is mounted. Mammy wagons carry maximum loads and are driven to the limit—up to 42 passengers with baggage and other cargo are carried at a time, and 12,000 miles per month on a truck is not unusual—so that the useful life of these vehicles is ordinarily not much over a year.

Product requirements for sales leadership in commercial vehicles are not complex.

First, the vehicles must be constructed extremely rugged and designed for ease and simplicity of maintenance. This follows from the very hard usage given trucks and buses. Most of the mileage put on such vehicles is often over unsurfaced dirt roads.

Second, design must minimize the problems inherent in maintaining an adequate inventory of replacement parts in a large country with widely scattered servicing and repair centers. Some of the best selling British automotive vehicles feature continuity of design to the extent that many parts are interchangeable not only from one model year to the next but also interchangeable among passenger cars, tractors, and trucks and buses. As a result, automotive dealers handling these makes of vehicles report that they are able, on a routine

Table 20.—*Imports of Transportation Equipment and Motor Vehicles, by Principal Supplying Countries, 1955 and 1960–62*

[Thousands of dollars]

Product	1955 [1]	1960 [1]	1961	1962
Tractors, tracked, without equipment	263.4	1,148.5	1,183.3	780.5
United States	200.5	771.6	(2)	684.0
United Kingdom	48.7	362.1	(2)	56.5
Tractors, wheeled, without equipment	284.6	1,141.5	1,239.7	958.8
United Kingdom	265.1	937.7	(2)	402.0
United States	0	118.4	(2)	208.2
West Germany	19.4	60.8	(2)	196.3
Industrial trucks	70.0	414.1	410.4	604.6
United Kingdom	68.2	392.5	227.2	429.3
United States	(3)	(3)	(2)	52.2
West Germany	(3)	(3)	(2)	49.3
Angledozers and bulldozers (equipment and tractor complete)	92.8	116.0	394.7	544.0
United States	84.5	20.9	(2)	289.2
United Kingdom	8.3	95.0	(2)	145.9
West Germany	0	0	(2)	108.8
Graders, levelers, and scrapers, self-powered	188.1	721.8	1,046.4	239.9
United Kingdom	78.1	257.1	653.0	150.2
United States	110.0	450.4	(2)	89.7
Conveying and hoisting machinery, road wheel mounted (excluding industrial trucks)	274.6	274.6	446.9	282.4
United Kingdom	235.2	213.6	387.6	132.7
Italy	0	0	(2)	65.5
United States	39.4	22.8	(2)	14.9
Passenger cars, engine displacement not exceeding 1,400 c.c	2,506.9	4,478.6	5,261.1	5,098.7
West Germany	207.3	1,735.5	2,636.0	2,106.9
United Kingdom	2,057.5	2,052.1	1,852.8	1,913.7
Italy	102.1	513.8	(2)	417.5
Passenger cars, engine displacement over 1,400 c.c but less than 1,700 c.c	976.8	6,648.4	7,180.8	7,062.6
France	3.2	1,443.7	(2)	3,226.9
United Kingdom	587.7	3,301.1	2,925.4	2,220.5
United States	0	0	(2)	50.3
Passenger cars, engine displacement over 1,700 c.c	3,262.5	7,733.0	5,840.8	2,703.2
West Germany	710.0	2,094.5	1,967.8	1,133.4
United States	807.5	1,727.3	1,498.5	567.6
United Kingdom	1,015.1	2,474.0	1,395.1	507.7
Dual purpose motor vehicles [4]	3,483.7	4,228.3	4,359.5	2,847.4
United Kingdom	2,129.9	2,888.1	2,513.5	1,982.2
West Germany	290.8	612.9	847.5	460.5
United States	507.7	271.0	478.3	133.8
Motorcycles	617.9	1,717.5	1,739.0	1,150.6
Japan	0	108.2	(2)	671.0
West Germany	146.2	330.4	(2)	161.6
France	23.3	306.4	(2)	136.8
United Kingdom	420.2	711.7	(2)	37.5
Buses	631.3	1,157.1	1,765.1	1,243.1
West Germany	397.2	494.9	820.8	621.7
United Kingdom	233.3	634.2	930.3	616.9
Trucks, complete	3,118.4	6,288.1	8,132.6	4,614.4
West Germany	901.2	2,743.8	3,947.5	1,878.6
United Kingdom	1,925.0	2,662.8	2,866.3	1,395.8
United States	46.7	34.9	(2)	191.6

See footnotes at end of table.

Table 20.—Imports of Transportation Equipment and Motor Vehicles, by Principal Supplying Countries, 1955 and 1960–62—Continued

[Thousands of dollars]

Product	1955[1]	1960[1]	1961	1962
Truck chassis, with engine mounted	8,951.8	10,223.4	11,936.6	3,309.5
United Kingdom	7,808.4	7,530.4	9,509.4	3,081.2
West Germany	452.5	2,354.4	2,193.1	188.3
United States	40.9	148.8	(2)	37.8
Bodies, chassis, frames, etc., for road motor vehicles	2,843.8	7,137.0	8,414.4	6,596.3
United Kingdom	1,912.7	3,996.3	4,833.8	3,225.8
West Germany	460.3	2,335.5	2,318.5	2,037.2
United States	338.0	231.2	304.6	181.2
Bicycles	5,349.7	5,723.4	3,233.4	2,671.4
United Kingdom	5,331.8	5,335.3	2,918.1	2,381.6
Japan	6.1	384.8	(2)	271.9

[1] Figures for 1955 and 1960 include former British Trust Territory of Southern Cameroons.

[2] Not available; Nigerian import statistics for 1961 do not give complete breakdown by country of origin.

[3] Less than $2,800 (£1,000).

[4] Includes jeeps, land rovers, estate cars, and kit cars, and station wagons.

Sources: Nigerian Federal Office of Statistics, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigerian Trade Summary* December 1961 and December 1962.

Nigerian Federal Government offices, Lagos

basis, to maintain over 90 percent availability of parts requested.

Third, vehicles must be engineered for economy of operation. Fuel and lubricants are much more expensive in Nigeria than in the United States.

These requirements for commercial vehicles in Nigeria are so different from those in the United States that American manufacturers may be able to expand sales significantly in Nigeria only by introducing a line of export models especially designed for overseas conditions. The suitability of such vehicles would, of course, extend far beyond the Nigerian market.

The principal determining factors of both the present and future market in Nigeria for manufacturing and construction equipment and materials are: (1) The structure of private industry in the country at present and the lines along which industrial development is taking place most rapidly and (2) the kinds and sizes of construction and developmental projects which are to be carried out in the 6-Year Plan. These two topics, therefore, are discussed below. Statistical data on Nigerian imports of producers' goods and materials are shown in tables 20 and 21 as well as 15.

INDUSTRY IN NIGERIA

Industry in Nigeria has undergone considerable growth and diversification in recent years. Limited almost entirely to processing of agricultural products and to forestry and some mineral production for export markets a few years ago, the country's manufacturing and processing sector now provides a widening range of goods for the domestic market. The Federal and Regional Governments are continuing their efforts to attract overseas investors. There seems little doubt that industrial development will move steadily ahead with the growth of market opportunities in Nigeria's gradually expanding economy.

The market for industrial equipment and machinery, of course, depends on the manufacturing enterprises already operating and on the industries to be established. Most rapid growth in recent years has been observed in industries aimed at supplying basic domestic needs, such as manufacturing and processing of textiles, footwear, food products and beverages, building materials, furniture, and household and kitchen utensils. Much of the industrialization in the near future will consist of a "filling out" process as existing plants are expanded and new factories are established in

these same basic lines. Growth can also be expected in a broader range of light manufacturing as well as in ancillary and service industries, such as fabrication of containers and packaging materials, and in the assembly and repair of industrial motors and transportation equipment. A complete tabulation of manufacturing firms in Nigeria as of April 1963 is shown in table 22.

Slaughtering, Meat Processing, and Canning

Potential exists in Nigeria for development of a modern meat industry; there are an estimated 15 million head of cattle, primarily in the Northern Region, and large numbers of pigs and sheep in all parts of the country. Lack of refrigerated transport facilities has been one of the principal barriers to development of the industry thus far. There are several slaughterhouses in Nigeria, most of them in the Northern Region. One meat canning plant is in operation in Kano, producing 6 million cans of corned beef annually. Sausages, bacon, and other pork products are processed at plants in Lagos, Kano, and Port Harcourt.

Grain Milling

Several rice mills are in production, mostly in the Western Region. Over 250,000 tons of rice are grown annually in Nigeria.

A $5.6 million flour mill in Lagos has been in production since mid-1962. Capacity of the mill is about 8,000 bags per day, or 120,000 tons per year; present output is 2,000 to 3,000 bags per day. A small flour mill with approximately 20,000 tons annual capacity has been proposed for the Eastern Region.

Brewing and Soft Drink Bottling

About 5.5 million gallons of beer and stout are brewed annually at the Lagos and Aba plants of Nigerian Breweries, Ltd.; the same company has another plant nearly ready for production in Kaduna. During the first part of 1963, another firm opened a new plant which will have an output of 50 million bottles of stout a year. Two other breweries are under construction in Nigeria—one in the Eastern Region and one in the Western Region.

Some 12 plants presently are producing a wide range of carbonated beverages, including colas, orange and lemon-lime drinks, ginger ale, and quinine water. Output of the soft drink industry in 1962 was estimated at 4.5 million gallons, although total installed capacity is over 12 million gallons.

Tobacco Products

Three factories in Nigeria—at Ibadan, Port Harcourt and Zaria—produce a total of over 3 billion cigarettes per year. The industry uses about 11 million pounds of leaf tobacco annually,

Table 21.—*Imports of Machinery and Tools, by Principal Supplying Countries, 1955 and 1960–62*

[Thousands of dollars]

Product	1955 [1]	1960 [1]	1961	1962
Diesel engines, marine, stationary, and other	444.1	1,227.4	1,083.1	974.9
United Kingdom	424.0	1,111.2	966.9	850.7
France	0	6.8	(2)	59.3
United States	11.3	38.3	(2)	5.6
Other internal combustion engines, marine, stationary, and other	360.0	334.6	340.9	308.8
United Kingdom	241.6	147.0	(2)	95.6
United States	19.6	73.4	(2)	80.5
Sweden	73.5	57.4	(2)	68.6
Agricultural machinery and appliances, except tractors	254.5	504.1	258.7	491.5
United Kingdom	228.4	251.8	176.0	405.7
United States	5.2	23.4	(2)	62.8
West Germany	12.2	11.5	(2)	11.6
Typewriters and office machinery	612.7	1,475.5	1,808.6	1,802.2
United Kingdom	455.7	852.5	964.4	982.0
West Germany	46.9	203.5	330.2	227.4
United States	21.2	131.9	101.8	147.1
Metalworking machinery, machine tools and parts	889.0	1,027.2	1,080.5	2,875.6
United Kingdom	768.5	591.3	712.7	2,081.0
United States	18.3	40.9	(2)	259.0
West Germany	37.5	181.0	233.2	188.0
Pumps for liquids	883.3	1,726.6	1,754.3	1,961.1
United Kingdom	823.4	1,524.4	1,517.4	1,587.3
United States	19.6	74.6	(2)	200.1
France	21.3	32.4	(2)	66.5
Conveying and hoisting machinery (other than road wheel mounted)	1,238.3	2,262.9	1,301.2	1,574.4
United Kingdom	1,103.1	1,426.1	868.7	1,115.2
France	61.3	14.1	(2)	163.8
United States	40.2	98.1	(2)	88.9
Boring machinery	1,899.7	646.1	216.3	1,686.7
United States	(3)	324.6	(2)	1,187.4
France	(3)	53.6	(2)	199.6
Italy	0	0	(2)	180.5
Woodworking machinery	481.7	365.3	590.4	389.8
United Kingdom	337.6	203.2	373.1	178.1
West Germany	97.3	79.4	122.8	125.9
United States	13.5	7.5	(2)	16.9
Printing and bookbinding machinery	717.4	1,143.8	2,096.8	1,461.8
United Kingdom	640.9	618.3	1,242.5	861.1
West Germany	35.0	392.8	407.1	387.9
United States	20.3	23.7	(2)	77.4
Textile machinery and accessories	31.8	459.5	4,421.4	2,250.0
United Kingdom	29.4	423.3	(2)	1,139.9
West Germany	0	16.0	(2)	848.2
United States	(3)	3.4	(2)	28.8

See footnotes at end of table.

Table 21.—*Imports of Machinery and Tools, by Principal Supplying Countries, 1955 and 1960–62—Continued*

[Thousands of dollars]

Product	1955[1]	1960[1]	1961	1962
Machinery and appliances for processing rubber and manufacturing articles of rubber	103.4	370.9	191.0	1,952.9
United Kingdom	103.4	209.6	65.0	1,866.7
United States	0	5.5	(2)	76.2
Denmark	0	0	(2)	3.4
Electric generating sets and generators	1,116.8	1,690.4	788.1	1,309.4
United Kingdom	1,076.4	1,084.6	576.5	1,119.7
United States	7.4	68.6	(2)	87.6
West Germany	11.0	27.6	(2)	58.0
Electric motors	148.8	262.5	179.7	445.9
United Kingdom	131.8	180.1	118.8	388.5
United States	(3)	23.0	(2)	20.0
West Germany	8.5	40.9	(2)	14.2
Handtools and implements, including agricultural	1,409.3	1,952.9	2,005.0	1,783.3
United Kingdom	856.6	842.9	867.0	689.7
West Germany	500.5	686.7	711.4	660.0
United States	7.6	33.7	(2)	55.6

[1] Figures for 1955 and 1960 include former British Trust Territory of Southern Cameroons.

[2] Not available. Nigerian import statistics for 1961 do not give complete breakdown by country of origin.

[3] Less than $2,800 (£1,000).

Sources: Nigerian Federal Office of Statistics, *Trade Report for the Year 1955; Trade Report for the Year 1960; Nigeria Trade Summary*, December 1961 and December 1962.

Table 22.—*Manufacturing Firms in Nigeria, by Number of Employees, Number of Firms, and Category of Product, April 1963*

Category of product	Number of employees[1]									Number of firms, total
	10 to 24	25 to 49	50 to 99	100 to 199	200 to 499	500 to 999	1,000 to 1,999	2,000 and over	Unknown[2]	
	Number of firms									
Stone, clay, and sand	----	----	----	----	2	----	----	----	3	5
Slaughtering and meat processing, and canning	1	2	2	2	1	----	----	----	2	10
Dairy products	----	2	2	----	1	----	----	----	2	7
Fruits and vegetables (canned and preserved)	----	2	----	3	----	----	----	----	2	7
Grain mill products	2	----	1	1	----	----	----	----	----	4
Bakery products	11	14	7	5	1	----	----	----	3	41
Sugar	----	----	----	----	----	----	----	1	----	1
Cocoa, chocolate, and sugar confectionery	1	----	2	1	----	----	----	----	----	4
Miscellaneous food preparations	----	5	2	2	----	----	----	----	6	15
Beer	----	----	----	----	4	1	----	----	----	5
Soft drinks and carbonated beverages	6	2	4	8	1	----	----	----	2	23
Tobacco products	----	----	----	----	3	----	----	1	----	4
Thread, yarn, and woven textiles	4	3	2	3	----	1	3	1	3	20
Knitted textiles	1	----	3	1	----	----	1	----	----	6
Cordage, rope, and twine	1	----	----	----	----	----	----	----	1	2
Miscellaneous textiles	1	----	----	1	----	----	----	----	----	2
Footwear	7	1	1	1	3	----	----	----	----	13
Wearing apparel, except footwear	12	3	2	1	----	----	----	----	3	21
Madeup textile goods except wearing apparel	1	3	1	----	----	----	----	----	----	5
Sawn timber	16	14	10	5	6	1	1	1	9	63
Miscellaneous wood products	----	1	----	----	----	----	----	----	1	2
Furniture and joinery	11	19	12	10	7	----	----	1	7	67
Articles of pulp, paper, and paperboard	2	1	3	----	1	----	----	----	1	8
Printed products	23	20	16	6	6	2	----	----	4	77
Tanned and treated hides and skins	5	----	----	2	----	----	----	----	3	10
Leather products except footwear and other wearing apparel	1	----	1	1	----	----	----	----	2	5
Rubber and rubber products	3	9	9	10	2	6	----	----	5	44
Basic industrial chemicals	2	1	4	2	----	----	----	----	6	15
Vegetable and animal oils and fats	5	9	6	3	5	1	----	2	8	39
Paint, varnishes, and lacquers	2	2	1	1	1	----	----	----	----	7
Miscellaneous chemical products	7	7	----	8	2	2	----	----	12	38
Refined petroleum products	----	----	----	----	----	----	----	1	----	1
Miscellaneous products of petroleum and coal	----	1	1	----	----	----	----	----	----	2
Tiles, bricks, and other structural clay products	----	----	----	----	1	----	----	----	----	1
Glass and glass products	1	----	1	----	1	----	----	----	----	3
Pottery, china, and earthenware	2	1	2	----	1	----	----	----	----	6
Cement	----	----	----	1	1	2	----	----	----	4
Miscellaneous nonmetallic mineral products	4	2	4	2	2	1	----	----	5	20
Basic iron and steel products	----	----	----	----	1	----	----	----	----	1
Basic nonferrous metal products	----	----	1	----	----	----	----	----	1	2
Other metal products except machinery and transport equipment	8	4	9	8	5	----	1	----	9	44
Machinery, except electrical	----	2	1	----	----	----	----	----	3	6
Electrical machinery, apparatus, and appliances	----	2	----	----	----	----	----	----	2	4
Boats and ships	----	1	2	4	2	----	1	----	3	13
Railroad equipment	----	----	----	1	1	----	----	----	----	2
Motor vehicles	1	2	4	2	1	1	1	----	5	17
Motorcycles and bicycles	1	2	----	1	----	----	----	----	----	4
Miscellaneous products, chiefly of plastic	----	3	1	2	----	----	----	----	----	6
Theater and musical products	----	1	----	----	----	----	----	----	1	2
Total	142	141	117	98	62	18	8	8	114	708

[1] List refers only to firms with 10 or more employees.

[2] Over 10 employees, but exact number not known.

Source: Nigerian Federal Ministry of Commerce and Industry, Economics and Statistics Division, *Manufacturing in Nigeria*, Lagos, June 1963. Unpublished papers. Arthur D. Little Co., technical advisors.

Note: Category of products according to Standard Industrial Classification of the United Nations.

See footnotes at end of table.

80 percent of which is grown in Nigeria. A $1.4 million cigarette factory with some Northern Region Government financial participation is being built at Ilorin.

Textiles

The textile industry is one of the most rapidly developing in Nigeria. The largest plant in operation presently is that of the Kaduna Textile Mills with annual production of 40 to 45 million yards of grey baft and bleached shirting. It employs 2,800 persons. The Nortex (Nigeria), Ltd., factory, also in Kaduna, started production in early 1963. This mill employs 1,200 workers and is presently producing 12 million yards of baft and bleached sheeting yearly, but plans call for a tripling of output with a few years. The $8.4 million Nigerian Textile Mills plant at Ikeja, near Lagos, has been in operation since late 1962. The factory produces 18 million yards of woven cotton fabrics and 1.2 million yards of knitted cloth per year, and employs 1,300 workers. Several other textile factories are either in operation or are planned.

Footwear

A large number of factories are manufacturing various kinds of footwear. Annual capacity of the industry at present is estimated at 2 million pairs of rubber shoes and sandals, 2 million pairs of plastic shoes and sandals, and 1 million pairs of canvas shoes. Several small factories throughout the country produce leather shoes and sandals, and two large factories—one in the Western Region and one in the Northern Region—are under construction which will also manufacture gloves, handbags, and suitcases.

Lumber and Plywood

Some 63 sawmills are operating, 3 of them with over 500 employees each. The plant of the African Timber and Plywood Company at Sapele is one of the largest plywood factories in the world. Nigerian exports of logs amounted to $12.2 million and those of sawn timber and plywood to $7 million in 1962.

Furniture and Cabinetry

A great many furniture and cabinetmaking factories are operating in all parts of the country. Several of the larger plants are integrated operations and include a sawmill as well as manufacturing and finishing facilities. This industry has grown very rapidly in the last few years, and Nigerian-made furniture is displayed in leading retail outlets in all major cities. In addition to tools and machinery, import needs for this industry include a wide variety of furniture fittings, upholstery materials, and plastics for table and cabinet tops.

Rubber and Rubber Products

Car, truck, and bicycle tires and tubes are produced at the first such plants to be built in West Africa—one is the $8.4 million Dunlop factory at Ikeja, near Lagos, and the other is the $8.6 million Michelin plant at Port Harcourt. Tire retreading plants are operating in Lagos and each of the three regions; one plant makes enough camelback to meet its own requirements and supplies some of the other retread factories as well.

Some 38 plants using locally produced latex, manufacture crepe rubber and rubber sheets for export. One factory produces foam rubber mattresses and cushions.

Basic Industrial Chemicals

Factories in Kano, Lagos, Apapa, and Port Harcourt produce for industrial use such gases as oxygen, nitrogen, solid, liquid, and gaseous carbon dioxide, and acetylene.

Oils and Fats

Palm oil is processed at numerous factories throughout Nigeria.

Five large mills in the Northern Region, each with over 100 employees, produce peanut oil.

Paint and Enamel

Six factories are in operation with a combined capacity of over 1 million gallons of paint and enamel a year.

Miscellaneous Chemicals and Cosmetics

Pharmaceutical products, such as vitamins, sulfa drugs, aspirin, and antimalaria drugs, are produced at five plants—three in Lagos and two in the Eastern Region. Operations at these factories are largely repackaging, mixing, and tablet

making. A sixth pharmaceutical plant may be located in the Northern Region.

Cosmetics, perfumes, and pomades are manufactured in at least a dozen plants. It is expected that the existing firms will expand and new factories will be opened, since the demand for cosmetics is increasing rapidly.

Factories at Lagos and in each of the three regions manufacture hard soap, including a wide range of toilet soaps. Annual output of these factories is about 40,000 tons. One plant will soon produce detergents.

Petroleum and Petroleum Products

The first exports of crude oil were made in 1958. Since then production has increased steadily (70,000 barrels a day in 1963) and exploration for further petroleum deposits has continued.[3] Petroleum exports in 1962 amounted to $46.9 million. A petroleum refinery is being built in Port Harcourt and is expected to go into operation in the spring of 1965; the refinery will have a processing capacity of 1.9 million tons of crude oil per year.

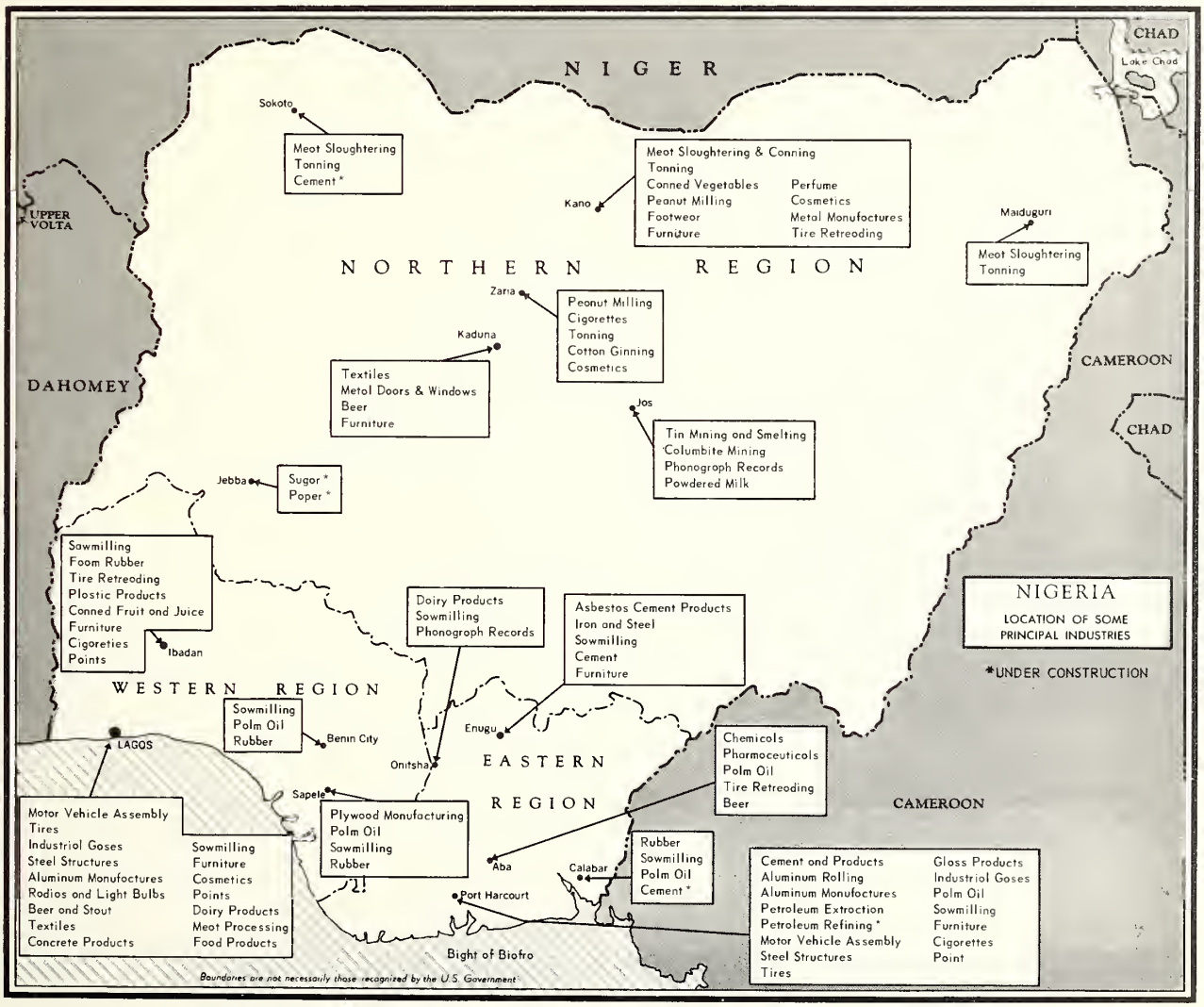
Glass and Glass Products

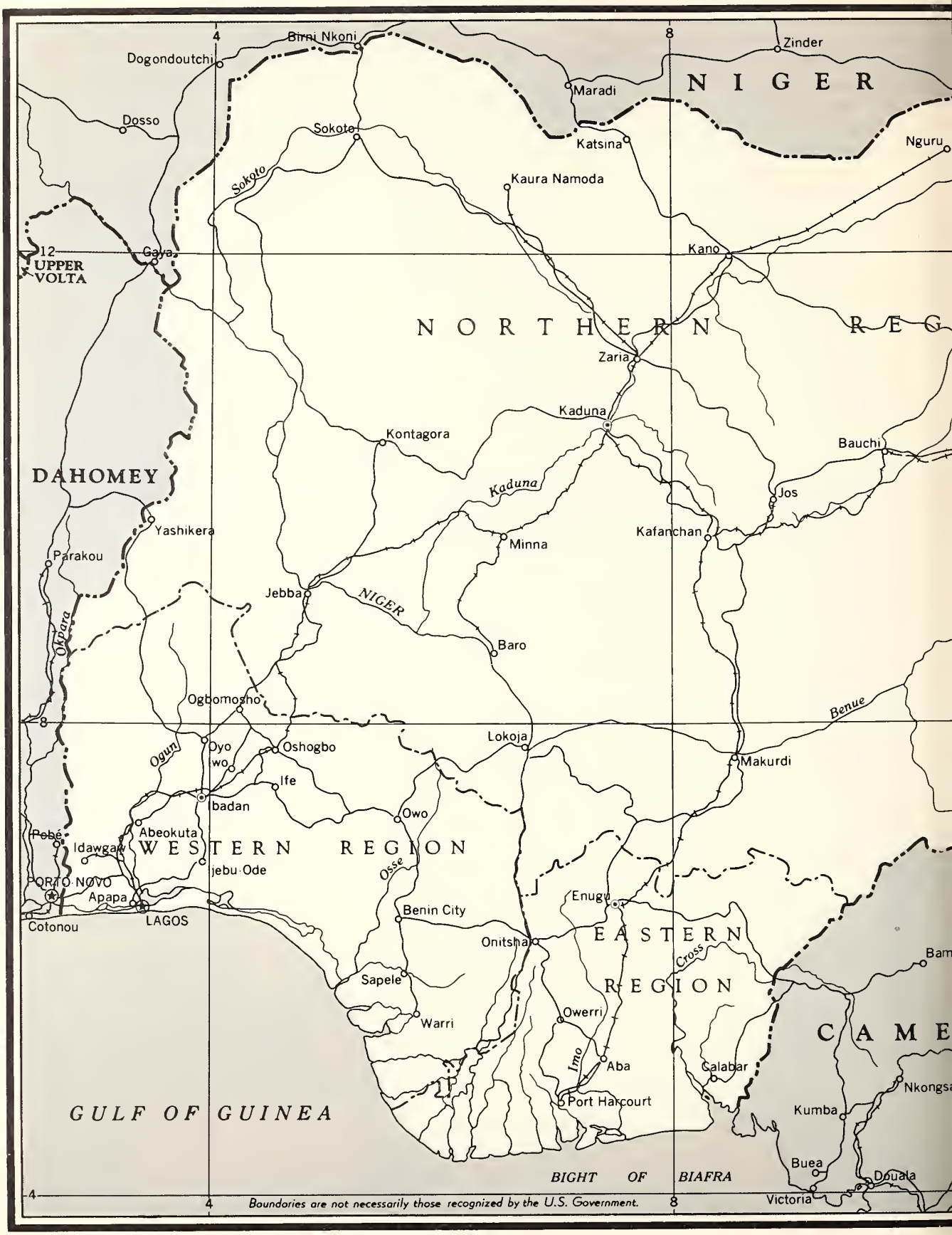
Nigeria's first glass factory is located at Port Harcourt and was opened officially in August 1963. The $2.8 million plant will supply most of the country's needs for bottles and glass containers.

Cement

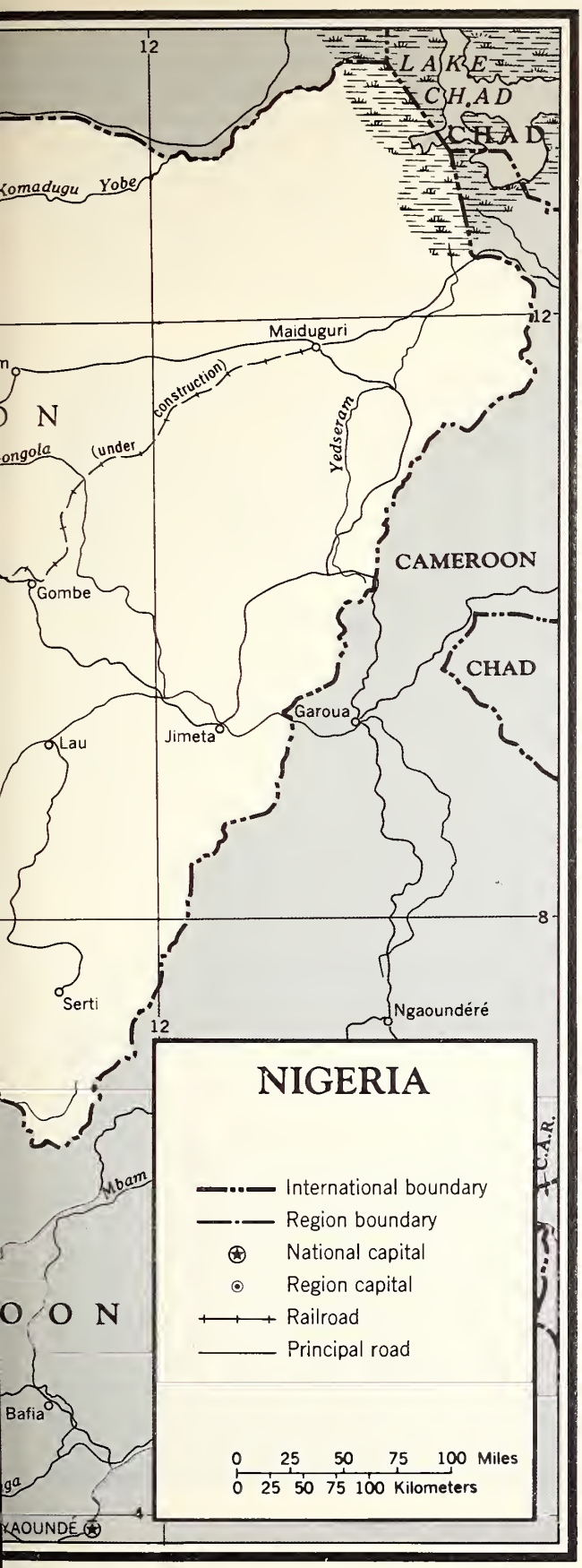
Three cement plants had a combined estimated output in 1962 of 440,000 tons. Two of these factories—one in the Eastern Region and one in the

[3] A barrel is equivalent to 35 imperial gallons, or about 42 American gallons.





Boundaries are not necessarily those recognized by the U.S. Government.



Western Region—are large integrated plants using local raw materials. The third, located near Port Harcourt, uses imported clinker. Another plant using local raw materials is expected to be built in Sokoto in the Northern Region. A second clinker-grinding plant is under construction in the Lagos area.

Miscellaneous Nonmetallic Mineral Products

About a dozen plants, each employing over 100 workers, manufacture various concrete products, including blocks, beams, posts, and pipes.

Several factories in major cities are making terrazzo tiles, which are widely used for flooring.

Two plants are now in production manufacturing asbestos cement products, such as corrugated and flat sheeting, pipes, and molded accessories.

Basic Iron and Steel Products

The $840,000 steel rolling mill of Nigersteel, Ltd., near Enugu, has been in production since July 1962. The first such factory of its kind in West Africa, the mill manufactures mild steel rods and high tension steel bars from iron and steel scrap. Planned additions to the plant's equipment will enable production later of wire rods, angle iron, flat iron, and channels.

Basic Nonferrous Metal Products

A new $3.4 million aluminum rolling mill has recently been completed at Port Harcourt. Production of semifabricated aluminum coil and sheet was expected to amount to about 1,600 tons in 1963, and the plant should be operating at its full capacity of 5,000 tons per year by 1965.

Tin ingots are produced from Nigerian ore at the Makeri tin smelter near Jos. Exports of tin metal in 1962 amounted to 7,500 long tons, and were valued at $19.3 million.

Miscellaneous Metal Manufactures

Steel window and door frames are manufactured at plants in Mushin (near Lagos), Port Harcourt, Ibadan, Kano, and Kaduna. About three plants produce metal boxes, cans, and drums. Several factories are making aluminum, enamelware, and iron and steel utensils. Corrugated aluminum sheets for roofing are processed at three plants with a total annual capacity of over 4,000 tons. A

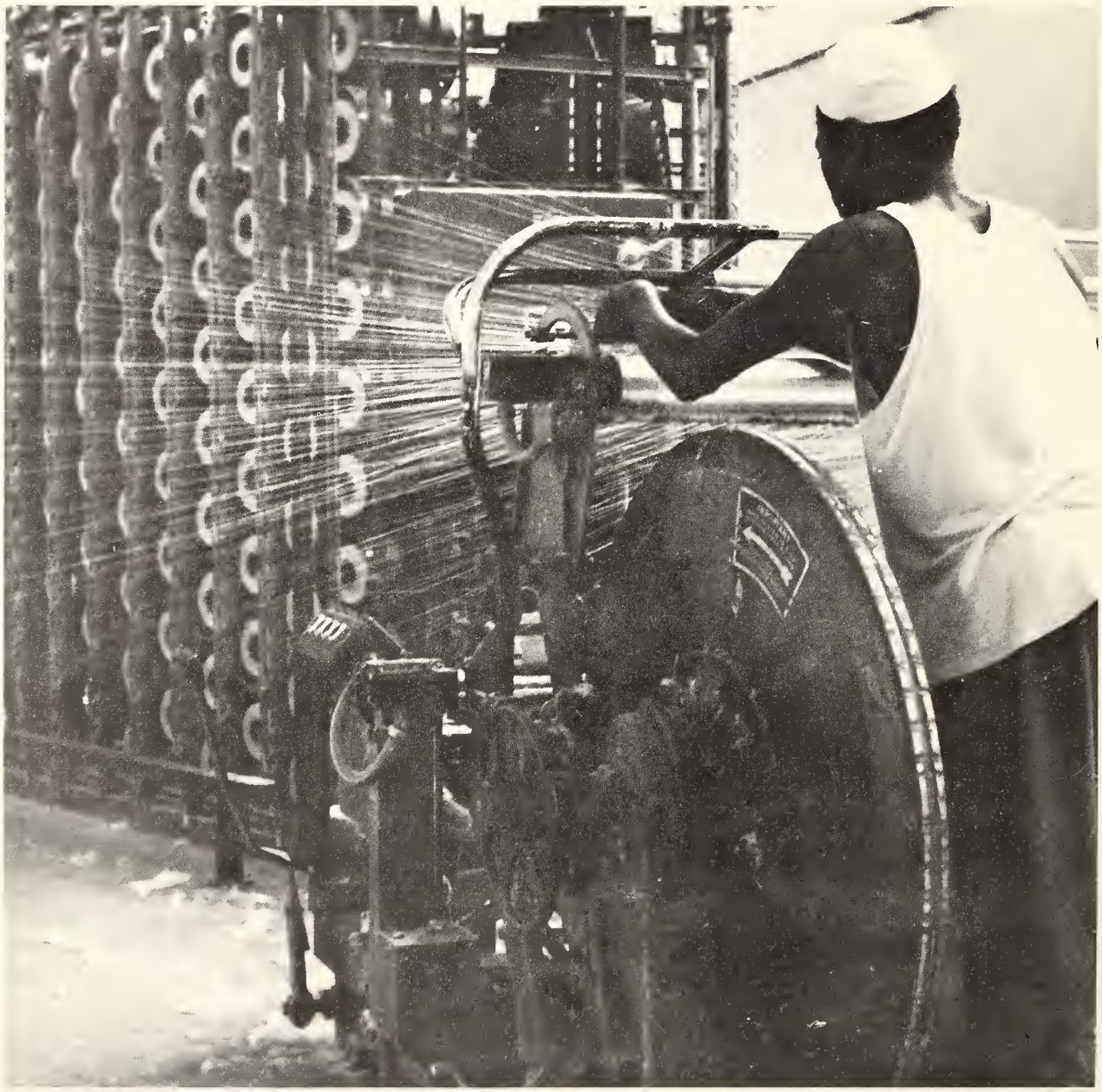
great number of small and medium-sized plants throughout the country produce a wide range of miscellaneous metal products such as nails, welded wire mesh, chain link and barbed wire fencing, wrought-iron products, steel tanks, brass castings and hollow-ware, and steel beds, chairs, and school desks.

Machinery

Sewing machines are assembled at a factory in Apapa; annual output is 10,000 to 15,000 units.

Electrical Apparatus and Appliances

One radio assembly plant has been in production since 1962, and two others were expected to begin operations late in 1963. An automobile battery factory is planned with production to start early in 1964. A light bulb manufacturing plant has been under construction at Apapa, near Lagos, with completion scheduled for late 1963. Output from the factory is expected to supply almost all of the country's demand for incandescent lights—roughly 3 million bulbs a year.



Worker adjusts machinery in Kaduna Textile Mills, Ltd.

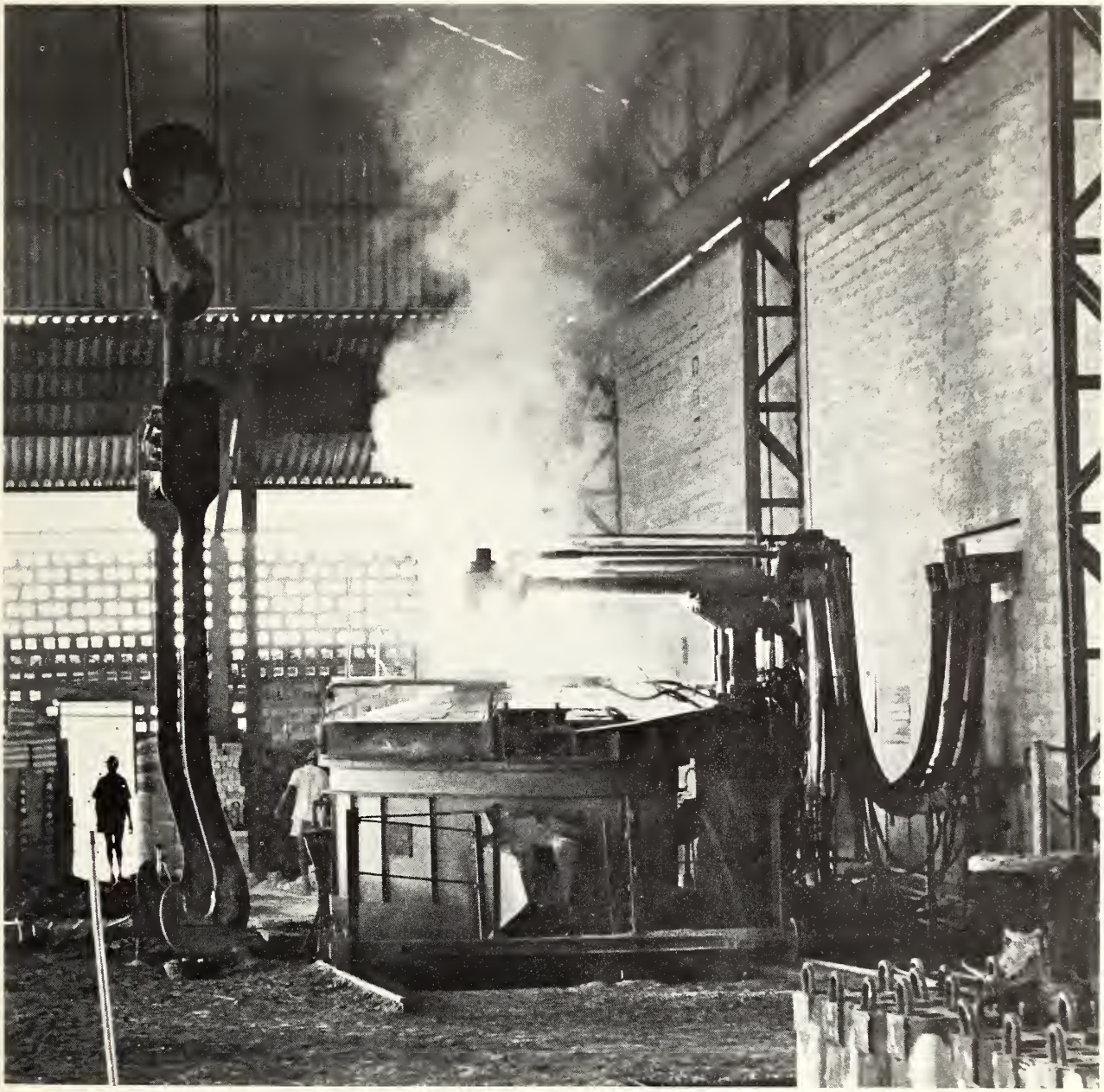
Motor Vehicles and Bicycles

Two small plants are assembling 4 makes of trucks which are imported on a completely knocked-down basis; total production is estimated at less than 3,000 trucks per year. Many bus and truck bodies are manufactured locally. Proposals for two complete automobile assembly plants are well advanced.

One British firm operates plants in each of the three regions assembling bicycles using imported parts.

Miscellaneous Plastic Products

Three plants—in Apapa, Ibadan, and Aba—manufacture a variety of plastic products ranging from small household utensils to containers and wrapping materials for industrial use. Two of these plants are equipped with extruding as well as with molding machines. Suitcases and miscellaneous travel goods made from plastic and fiberboard are produced at two factories near Lagos.



Electric furnace at the Nigersteel Company,Ltd. plant, Enugu, Eastern Nigeria

Two phonograph record plants started operations in 1963, pressing 78 and 45 r.p.m. records. One factory is in Jos and the other in Onitsha.

THE 6-YEAR PLAN

The National Development Plan covers the 6-year period from 1962–68, that is, fiscal years 1962–63 through 1967–68.

Broad objectives stated in the plan are:

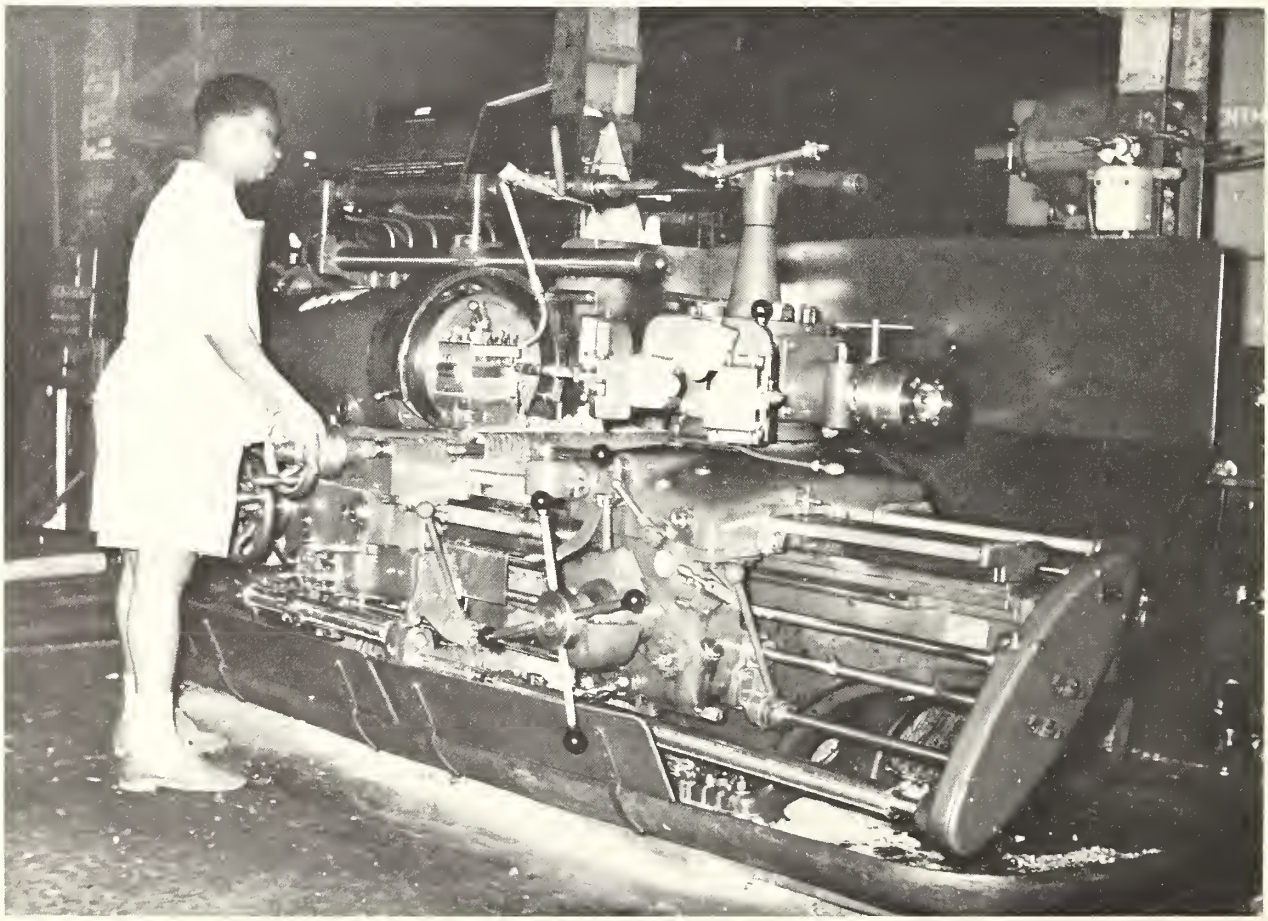
— To achieve an economic growth rate of at least 4 percent per year.

— To reach this growth rate by investing 15 percent of gross domestic product while endeavoring to raise per capita consumption by about 1 percent per year.

— To achieve self sustained growth not later than by the end of the third or fourth national plan. The present plan is conceived as the first in a series aimed at long-range development of the economy.

Priority has been given to agriculture, industry, and training of high and intermediate-level manpower. Planned expenditures under the plan reflect this choice of alternatives; of total Government outlays scheduled for the 6-year period, 14 percent will be allocated to primary production; 13 percent to trade and industry, and 10 percent to education. Over 70 percent of total capital expenditure will be channeled into sectors contributing directly to economic growth—primary production, trade and industry, electricity, the transport system, communications, and irrigation and industrial water supplies.

Previous development plans have been undertaken by the Federal and Regional Governments, but the present program represents the first fully coordinated efforts of the four Governments to



Metalworking machinery is needed in increasing amount with industrialization. Machinist at work in Nigerran Railway Corporation workshop, Lagos.
International Bank for Reconstruction and Development

accelerate the expansion and broadening of the country's productive base and to raise standards of living of the Nigerian population.

The plan itself actually encompasses four separate plans—the Federal Government development program and the programs of each of the three Regional governments. Primary responsibility rests with each Government individually for financing and implementing the program with which each is concerned, and the four programs differ according to the regional interest and constitutional responsibilities of the four Governments. The four plans have been closely coordinated in all phases of formulation, however, so as to reflect the same order of priority in overall objectives and to interrelate to form the National Development Plan. The overall structure of the plan in terms of expenditures to be made by the four Governments in various sectors can be seen in table 23.

Total capital formation during the period of the plan is expected to be considerably greater than the $1.89 billion in publicly financed projects outlined in the plan itself. Including Government capital projects out of recurrent expenditures—that is, out of the Government's ordinary budgets—and estimating private investment to amount to $1.1 billion, total gross fixed capital formation is forecast by the planning authorities over the 6-year period to be $3.3 billion.

Whether this planned level of investment can be reached, of course, depends on a number of factors. A gap of over $900 million, for example, exists between total revenues available and outlays scheduled under the plan by the four Governments; it is hoped that this gap can be filled by foreign government development loans and grants. Too, the amount of private investment which will take place is a matter of some conjecture; the $1.1 billion figure projected is meant to be only a reasonable estimate.

Bookstore in Ibadan department store

With regard to both of these questions, the outlook at present appears relatively favorable. As of mid-1963, major commitments for assistance in the plan had been made by several foreign governments, including the $225 million U.S. pledge, and others by the United Kingdom, West Germany, the Netherlands, and Canada, as well as by various United Nations agencies and some private foundations. Particularly encouraging is the fact that progress is being made in securing overseas financial assistance for the Niger Dam Project, the largest single undertaking in the plan. Developments in the private sector have also been favorable, for an impressive number of industrial undertakings have been carried out by foreign investors in the past year or two; if response to the Federal and Regional Governments' efforts to promote foreign investment remains as strong over the next few years, private industry's contribution toward the plan's overall goals for capital formation will be significant. Programs of the U.S. AID to encourage increased American private investment abroad should also be a positive factor in this regard. Nigeria has been designated as a pilot country by AID to receive special emphasis in the private enterprise field; AID and the U.S. Commerce Department in cooperation are actively encouraging U.S. firms to consider undertaking new investments in Nigeria in industries which will contribute to the country's economic growth.

It is clear, at any rate, that very large expenditures for capital equipment, machinery, and materials will be made during the course of the plan in implementing scheduled projects and that these outlays by the Federal and Regional Governments will constitute a major portion of the Nigerian market for producers' goods over the 6-year period. In order to give some indication of the range of equipment and materials which will be purchased to carry out the plan, major projects in each of the four Government's programs are outlined below. Procurement for scheduled projects will be handled by the governments or statutory corporations concerned, either directly or through the facilities of the Crown Agents. See, also, section, Government Procurement.

Federal Government Development Program

Nigerian Federal Government expenditures under the plan will total approximately $1.2 billion. Largest outlays are scheduled to be made by the Niger Dams Authority, the Ministry of Commerce and Industry, the Ministry of Works and Surveys, and the Electricity Corporation of Nigeria. Details of the Federal expenditures program by project and by Ministry are shown in table 24.

Niger Dam.—Highest priority in the Development Plan has been assigned to construction of a dam on the Niger River at Kainji—about 65 miles north of Jebba and some 600 miles from the river's mouth on the Gulf of Guinea. Initial generating capacity will be 280 megawatts (mw.). Provision will be made for additional generating units up to 980 mw.

The dam at Kainji will actually be the first of three to be built in a major development scheme designed for flood control and to harness the Niger's potential for irrigation, fishing, and navigation as well as for hydroelectric power. A second dam will be built at Jebba in 1982 with a capacity of 500 mw., and later a third is to be constructed at Shiroro Gorge on the Kaduna River. Total capacity when all three stages have been completed will be 1,730 mw.

Total cost of the Kainji Dam, which also includes the first stage of a national power grid, will be about $190 million. Of this, $111.7 million will be expended for construction of the dam itself and for installation of four 70-mw. generating units; $35.8 million will be spent for transmission lines; $17.6 million for navigation installations; $2.5 million for reservoir clearance; and $23 million for financing costs.

Roads and bridges.—Second largest allocation in the Federal plan is $99 million to the Ministry of Works and Surveys for road and bridge construction. The Federal road program will emphasize reconstructing Nigeria's system of major highways, that is, trunk A roads, by widening, straightening, and improved surfacing. Major outlays are also to be made for building two new bridges—the Niger bridge now under construction between Onitsha and Asaba and a second bridge connecting Lagos with the mainland.

Steel mill.—Proposals invited by the Federal Government for establishment of a viable iron and steel mill using Nigerian iron ores, limestone, and coal have been received from several international

Table 23.—*Capital Expenditures of Federal and Regional Governments in National Development Plan, by Sector, 1962–68*

[Thousands of dollars]

Sector	Federal	Northern Region	Eastern Region	Western Region	Total	Percentage distribution
Primary production	57,305	62,983	85,011	51,629	256,928	13.6
Trade and industry	123,284	27,619	36,204	65,646	252,753	13.4
Electricity	274,792	4,200	1,680	4,200	284,872	15.1
Transport system	291,080	69,048	24,780	17,780	402,688	21.3
Communications	84,000	(1)	(1)	(1)	84,000	4.4
Water other than irrigation	5,216	20,838	14,280	27,588	67,922	3.6
Education	81,631	53,057	24,654	35,994	195,336	10.3
Health	28,851	9,288	5,093	4,581	47,813	2.5
Town and country planning	64,848	16,800	9,257	25,984	116,889	6.2
Cooperatives	(1)	6,829	(1)	4,200	11,029	.6
Social welfare	7,529	(1)	1,495	4,228	13,224	.7
Information	6,583	246	1,260	2,164	10,254	.5
Judicial	762	(1)	700	1,238	2,699	.1
General	122,962	2,780	5,788	3,119	134,649	7.1
Financial obligations	6,160	(1)	336	4,480	10,920	.6
Total	1,155,003	[2] 276,648	210,538	252,831	[2] 1,894,992	100.0

[1] No allocation.

[2] Components do not necessarily add up to totals because of slight differences in sectoral definitions.

Source: Nigerian Federal Ministry of Economic Development, *Nationa Development Plan, 1962–68*, Lagos, 1962, page 41.

Table 24.—*Federal Government Development Program, Capital Expenditure, by Ministry, 1962–68*

[Thousands of dollars]

Item	Total by program	Total by Ministry
Communications		84,000
Telecommunications	76,745	
Posts	6,440	
Meteorology	815	
Works and surveys		109,609
Roads and bridges	99,070	
Surveys	5,323	
Lagos water supply	5,216	
Transport and aviation		41,062
Inland Waterways Department	5,547	
Coastal Agency	140	
Marine Division	412	
Escravos bar	18,418	
Koko—extension	868	
Koko—approach roads	980	
Civil Aviation Department	13,857	
Transport surveys	700	
Victoria Beach erosion study	140	
Commerce and industry		125,244
Steel mill	84,000	
Mint and security printing	840	
Direct investment in industry	14,000	
Development bank	11,200	
Insurance company	2,800	
Agricultural Credit Institution	8,400	
Federal Loans Board	1,400	

Table 24.—Federal Government Development Program, Capital Expenditure, by Ministry, 1962–68—Continued

Item	Total by program	Total by Ministry
Commerce and industry—Continued		
International Trade Fair	1,120	
Federal Institute of Industrial Research	924	
Institute of Administration	560	
Mines and power		8,893
Geological and water survey	2,820	
Mineral development	473	
Oil refinery	5,600	
Economic development		41,978
Fisheries Department	2,478	
Forestry research	1,394	
Veterinary research	902	
Agricultural research	4,094	
Agricultural investment	28,000	
Office of Statistics	280	
Development research	1,400	
Nigerian Institute of Social and Economic Research	560	
Census	2,870	
Cabinet office		35,462
Niger Delta Development Board	6,504	
Police	28,958	
Information		6,583
Domestic broadcasting	3,069	
External broadcasting	1,470	
Television	2,044	
Health		28,851
Education		81,071
Lagos affairs		59,584
Lagos sewerage	4,382	
Lagos Executive Development Board (land and housing)	42,078	
Nigerian Building Society	4,200	
Metropolitan area housing project	3,763	
Lagos town council	5,160	
Tinubu square office building	1,400	
Labor		7,563
Establishments		5,124
African staff housing fund	5,124	
Defense		83,258
Foreign affairs		4,536
Internal affairs		2,713
Finance		594
Justice		762
Statutory corporations and companies		
Electricity Corporation of Nigeria		84,000
Niger Dam		190,792
Nigerian Railway Corporation		56,479
Nigerian Ports Authority		66,133
Nigeria Airways		5,373
Nigerian National Line, Limited		17,780
Nigerian Coal Corporation		1,400
Financial obligations		6,160
Total		1,155,028

Source: Nigerian Federal Ministry of Economic Development, *National Development Plan, 1962–68*, Lagos, 1962, pages 52 to 54.

firms and are now being evaluated by the Government. Should the project be feasible, it is expected that a mill with a capacity of from 125,000 to 250,000 tons would be built; output would consist primarily of black and corrugated sheets, rods and bars, angles, channels, and other structural steel. The project would be financed jointly by the four Governments, possibly with some private capital participation. To expedite matters, however, the full estimated cost of $84 million has been set aside in the Federal program.

Electricity Corporation of Nigeria—ECN.—Some $84 million is to be invested by the Electricity Corporation of Nigeria—ECN, a public statutory corporation, for expansion of thermal generating and transmission facilities. Major capital outlays will be $23 million for generation (expansion of the Afam Plant from 60 mw. to 80 mw. and building of the Ughelli Thermal Plant, 60 mw.); $15.8 million for transmission; and $19.3 million distribution. The generating stations at Afam and Ughelli will use natural gas from Nigerian reserves.

Education.—The Federal Education Program for the 6-year period totals $81 million of which the major part will be devoted to higher education. Principal items of expenditure will be $15.4 million to establish the University of Lagos; $13 million for expansion of the University of Ibadan; $11 million in grants to the regional universities; up to $8.7 million for primary school construction in Lagos; and $3.3 million for technical training in Lagos.

Telecommunications.—Nearly $77 million will be spent to expand and update the domestic telephone system. A total of 60,000 new exchange lines will be installed, allowing an addition of over 100,000 new telephones. Trunk dialing facilities between the major commercial and industrial centers will be expanded greatly.

Nigerian Ports Authority.—Highest priority in the transport sector has been assigned to the development program of the Nigerian Ports Authority. Over $66 million will be invested in construction of five new berths at Apapa (Port of Lagos) and two new berths at Port Harcourt, replacement or renovation of the Customs Quay at Lagos, construction of new warehouses at Port Harcourt, and increased mechanization of the Authority's operations.

Nigerian Railway Corporation.—No new lines are planned for the Nigerian rail system except to complete the remaining 230 miles of the Bornu Extension in the northeastern part of the country. Modernization plans, however, call for the purchase of 14 diesel locomotives and 1,485 rail cars. Over $15 million will be spent on relaying existing sections of track with heavier rails. Total cost of the railway program is estimated at $56.5 million.

Northern Nigeria Development Program

Total outlay for the Northern Region program will amount to $276.6 million. Largest expenditures are scheduled for development corporations, communications, education, urban and rural water supplies, and agriculture. See table 25.

Development corporations.—Over $90 million will be spent on projects ranging from fisheries to housing by four public corporations which are being organized to take over and expand the operations of the Northern Region Development Corporation. The four new organizations are the Industrial Development Corporation, the Agricultural Development Corporation, the Native Housing Authority Corporation, and the Development Bank. Planned outlays include $24.4 million for industrial investment in conjunction with private capital (enterprises being considered, among others, are textiles, tanning, oilseed crushing, paper manufacture, and food processing); over $20 million for subsidies to promote increased usage of fertilizers and insecticides; and $8 million to meet increasing needs for roads, housing, drainage, and water in the northern capital city of Kano.

Communications.—About $63 million is to be expended on a road development project involving improvement of some 3,000 miles of roads. Major emphasis is placed on development of a feeder system of roads to the Bornu Railway Extension.

Education.—A total of $53 million has been allocated to expansion of educational and training facilities. Major items of expenditure include $22.6 million for establishment of teacher training colleges; $15.4 million for expanding the secondary school program; and $4.4 million for primary education.

Eastern Nigeria Development Program

Capital expenditures planned by the Eastern Region Government total $210.5 million, with heaviest stress on primary production, trade and industry, transport, and education. The list of projects comprising the program appears in table 26.

Primary production.—A sum of $85 million will be devoted to the primary sector. Of that sum, $71.6 million will be spent to increase production of tree crops (cocoa, oil palm, rubber, coconut, and cashews) on both small-holder and plantation levels. About $5.9 million will go toward development of agricultural training, research, and extension services.

Trade and Industry.—Over $36 million in capital expenditure will be spent in promotion of trade and industry. Almost all of this amount—$28 million—has been set aside for participation with private investors in new industries. The Eastern Region Government is now participating in a number of enterprises and is negotiating with investors for establishment of several others; these already operating or planned enterprises include the Shell-BP petroleum refinery near Port Harcourt, two textile mills, an asbestos cement factory, glass, sanitary ware, stationery, tire, and chipboard factories, a rice mill, and a paper mill.

Transport.—A sum of $24.6 million has been allocated for construction of roads and bridges.

Western Nigeria Development Program

Capital expenditure under the Western Region program will total $252.8 million with largest outlays to be made by the Ministries of Trade and Industry ($81.5 million), Works and Transport ($49.6 million), Education ($35.7 million), and Lands and Housing ($31.1 million). The overall program, by project, is shown in table 27.

Table 25.—*Northern Nigeria Development Program, Capital Expenditure by Sector, 1962–68*

[Thousands of dollars]

Sector	1962–63	1963–64	1964–65	1965–66	1966–67	1967–68	Six years, 1962–68
Agriculture	2,583	4,151	3,254	2,375	1,184	1,026	14,574
Animal resources	1,412	2,448	2,131	1,567	1,259	1,340	10,157
Forestry	116	265	242	228	213	233	1,298
Trade and industry	188	244	-------	-------	-------	-------	431
Development corporations	1,150	18,796	18,716	17,021	17,085	18,055	90,823
Education	4,760	12,374	9,401	8,841	8,841	8,841	53,056
Communications	6,018	11,388	11,388	11,388	11,388	11,388	62,956
Water supplies (rural)	1,856	1,905	1,905	1,905	1,905	1,905	11,380
Water supplies (urban)	2,922	2,320	2,319	2,319	2,319	2,319	14,518
Health	1,700	4,347	2,185	1,484	1,295	1,285	12,298
Social welfare and cooperatives	350	1,028	678	48	28	-------	2,131
Land and survey	63	32	17	1	1	-------	59
Information	-------	252	-------	-------	-------	-------	252
Administrative and judicial buildings	864	414	320	264	346	68	2,275
Training	140	31	-------	-------	-------	-------	171
Internal affairs	-------	128	144	-------	-------	-------	272
Total	24,065	60,121	52,698	47,441	45,865	46,459	276,650

Note: Totals do not necessarily add exactly due to rounding.

Source: Nigerian Federal Ministry of Economic Development, *National Development Plan, 1962–68*, Lagos, 1962; page 180.

Table 26.—*Eastern Nigeria Development Program Capital Expenditure by Project, 1962–68*

[Thousands of dollars]

Project	Allocation
I. Primary production	
Tree crops: Ministry schemes	
Rubber planting scheme	8,330
Palm grove rehabilitation scheme	5,376
Cocoa planting scheme	1,680
Farm settlements	17,150
Cross River scheme	7,000
Minor crops	280
Total	39,816
Tree crops: E.N.D.C.[1] plantation schemes	
Oil palm plantations	5,678
Rubber plantations	18,620
Cocoa plantations	6,714
Coconut plantations	246
Cashew plantations	546
Total	31,805
Agricultural training, research and extension	
Extension training program, including veterinary	3,671
Livestock extension	112
Community development	1,148
Agricultural information	95
Agricultural research	840
Total	5,866
Animal health and husbandry	
Regional livestock center	140
Poultry center	185
Brooder units	294
Obudu cattle ranch	678
Animal feed mill	140
Trypanosomiasis units	78
Veterinary services (including hides and skins)	504
Total	2,019
Fisheries and forestry	
Fisheries	428
Forestry	428
Total	857
Land use	
Niger Delta scheme	210
Soil and land use survey	280
Total	490
Supporting services for agriculture	
Machinery pool	238
Processing machinery	1,120
Agricultural credit	2,800
Total	4,158
II. Trade and industry	
Trans-Amadi industrial layout	3,651
Other industrial layouts and estates	1,400
Industrial production	28,000
Industrial institutes and centers	633
Small industry loan scheme	1,400
Cooperatives	1,120
Total	36,204
III. Electricity	
Rural electrification	1,680
IV. Transport	
Roads and bridges	24,640
Inland waterways	140
Total	24,780

See footnote at end of table.

Table 26.—*Eastern Nigeria Development Program Capital Expenditure by Project, 1962–68*—Con.

Project	Allocation
V. Water supplies	
Rural water supply	8,680
Urban water supply	5,600
Total	14,280
VI. Education	
University of Nigeria	3,640
Secondary grammar schools	955
Scholarships and training of engineers	1,450
Teachers' Training College	1,400
Rural education	126
Women's Occupational Training College	56
Secretarial training	81
Institute of Administration	795
Trade centers and technical institutes	2,906
Handicraft centers	210
Other education and training programs to be developed	13,034
Total	24,654
VII. Health	
Hospital expansion	3,940
Mental health	42
Dental service	98
Urban health	213
Rural health	560
School health	17
Malaria control	84
Health education	140
Total	5,093
VIII. Town and country planning	
Residential estates	2,660
Town planning	227
Survey division	70
Housing Corporation	5,600
Government staff housing scheme	700
Total	9,257
IX. Social Welfare	
Fire service	504
Libraries	501
Sports facilities	490
Total	1,495
X. Public Information	
Information	1,260
XI. Justice	
Administration of justice	700
XII. General government	
New legislature	2,240
Miscellaneous administration	1,028
Completion of 1958–62 building program	1,686
Rehabilitation and Works Organization	470
Government printer	364
Total	5,788
XIII. Financial obligations	
Local government	336

[1] Eastern Nigeria Development Corporation.

Source: Nigerian Federal Ministry of Economic Development, *National Development Plan, 1962–68*, Lagos, 1962; pages 197 to 266.

Large-scale industries.—A sum of $28 million has been allocated for participation or direct investment in medium- and large-scale industries. Factories are under consideration or have been proposed in a number of lines, including glass-

ware, cigarettes, enamelware, printing and stationery, matches, tires and tubes, insecticides and agricultural chemicals, and refrigerator assembly.

Urban water supply.—A total of $17.5 million is scheduled for expenditure to improve water supply to urban areas. Priority attention is given to providing adequate water systems for existing or proposed industrial estates.

Roads and bridges.—Plans for improvement of commercially and industrially important routes will require outlays totaling $17.5 million; about $2.5 million of this will be devoted to construction of a bridge at Sapele.

Farm settlements.—Approximately $14.6 million will be spent on farm settlement projects which involve agricultural training, opening of additional land for cultivation, and extension services to encourage the adoption of modern agricultural techniques.

University.—Some $14 million will be channeled into the newly established Ife University to help meet the increasing manpower requirements of industry, commerce, and public service.

Table 27.—*Western Nigeria Development Program Capital Expenditure by Project, 1962–68*

[Thousands of dollars]

Project	Allocation
I. Primary production	
Farm settlements	15,630
Farm institutes	448
Agricultural research	717
Agricultural extension	7,728
Veterinary services	1,240
Plantations	8,400
Fisheries	400
Forestry	266
Integrated rural development for special areas: agricultural schemes	2,800
Credit facilities for primary production	14,000
Subtotal	51,629
II. Industrial production	
Cottage and rural industries	658
Small-scale industries	3,842
Integrated rural development for special areas: industrial schemes	1,400
Large-scale industries	28,000
Industrial credit facilities (including Development Bank)	19,040
Industrial estates	9,332
Subtotal	62,272
III. Economic and social services and administration	
Roads and bridges	17,500
Inland waterways	280
Electricity	4,200
Urban water supply	17,500
Rural water supply	8,688
Water board	1,400
Town and country planning (including training)	4,480
Ibadan slum clearance: preliminary investigation	280
Land acquisition	1,400
Surveys	224
Housing mortgage finance	5,600
Housing estates	7,000
Staff housing scheme	2,800
Integrated rural development: low-cost, self-aided rural housing	2,800
Integrated rural development: village reconstruction	1,400
Trade: Office equipment and library	14
Credit Facilities to small business	3,360
Education Primary	2,240
Secondary grammar schools	6,440
Teacher training	8,092
Technical and commercial	4,340
University	14,000
Modern aids to teaching	588
Cultural activities	280
Cooperatives (cooperative bank, credit facilities, college and library)	4,217
Health and social welfare	4,581
Information services	1,288
Fire services	1,400
Printing	36
Broadcasting and television	840
Law courts	1,238
Government offices and buildings general	3,119
Loans to local government councils	4,480
Service authorities	2,800
Subtotal	138,902
Grand total	[1] 252,804

[1] Projects do not necessarily add exactly to subtotals and grand total due to rounding.

Source: Nigerian Federal Ministry of Economic Development, *National Development Plan, 1962–68*, Lagos, 1962, pages 342 to 344.

CHAPTER IV

Distribution and Trade Promotion

MARKETING CHANNELS

Centers of Business and Transportation

Nigeria's two principal port cities are Lagos, through which over 65 percent of the country's import traffic flows, and Port Harcourt, which handles about 20 percent of such shipping. From these cities and from several smaller ports—including Calabar, Sapele, Warri, and Burutu—imported goods travel by truck, rail, river boat, or combination of the three, to other major commercial centers throughout Nigeria.

Lagos and Port Harcourt are the only ports linked by rail with the interior; the rail lines from these two cities join at Kaduna Junction in the Northern Region, and the railway then extends to the principal produce centers of the north, such as Zaria, Kano, and Jos. The rail line is presently being extended some 400 miles to Maiduguri in the northeastern part of the country.

Port Harcourt, Nigeria

Lagos ranks as the leading financial, commercial, and political center of the country, and virtually all large companies operating in Nigeria have offices located in the Lagos area. A number of other cities, however, are of considerable commercial importance both as markets within themselves and as central distribution points serving smaller towns and outlying rural areas. Most large and medium-sized firms, therefore, have outlets and/or servicing facilities located in several of these larger population centers—Kaduna, Kano, Zaria, Jos, Makurdi, and Maiduguri in the North; Enugu, Port Harcourt, Onitsha, Aba, and Calabar in the East; and Ibadan, Oshogbo, Benin, and Sapele in the West.

Structure of Trade

The marketing system in Nigeria varies widely for different types of goods. Technical and producers goods and consumer items requiring technical servicing are handled almost exclusively by the large expatriate trading companies with trained staff and physical facilities to provide installation and maintenance services throughout the country. More sophisticated and higher-priced consumer items, similarly, are marketed largely through the department stores and larger established retail outlets in principal cities which are operated for the most part by expatriate firms. Consumer goods for the mass market are distributed through a complex supply system which may involve expatriate or Nigerian firms as principal importers and a great many individual traders

in intermediate roles between the original wholesale purchase and ultimate sale to the consumer.

Historically, the leading position in Nigeria's import trade has been held by a small number of major trading companies of British, French, and Swiss nationality. It is estimated that in 1949 some 85 percent of all imports were handled by European firms whereas Lebanese and Indian merchant houses imported 10 percent and African firms only 5 percent.

These large companies still play a major role—they account for probably 50 to 60 percent of the country's imports today—but important changes are taking place in the structure of Nigeria's distribution and marketing system and in the functions performed in the system by the major trading firms. On the one hand, an increasing number of small and medium-sized importing firms, many of them of Nigerian nationality, have entered the general merchandising field. On the other hand, the larger expatriate organizations, such as United Africa Company and John Holt, Ltd., have initiated programs to withdraw from some of their traditional activities—produce buying and retail and wholesale trade in consumer items standard on the African market—and to redeploy their resources into more technical, capital intensive, or specialized fields of commerce and industry. This redeployment, of course, is actively encouraged by the Government, which is anxious to see Nigerian businessmen occupy a more prominent place in both foreign and domestic trade.

A recent annual report of the United Africa Company explains the organizational shifts being made by the established trading companies this way:

"Given the pattern of change that is currently taking place in the operations of leading merchants in tropical Africa, the trend of structural redeployment is from a basically monolithic merchant structure, with its network of distributing stations and its worldwide spread of buying organizations, to a group of virtually autonomous industrial and specialized merchandising units, each drawing upon the parent body for capital, specialized operational expertise not locally available and certain centralized services. . . . Basically, this trend of change is dictated by technical and economic considerations. A brewery requires a quite different and distinct setup from a cement factory; the merchandising machinery for pharmaceuticals has little in common with that for motor vehicles; or that for textiles with domestic electrical goods." [1]

Trading companies act primarily as representatives for:

1. Machinery, capital equipment, and other types of goods which require substantial investments in servicing facilities, technical staff, and spare parts inventory.

2. Higher-priced or more sophisticated consumer items or specialized lines of merchandise which can be marketed through the chains of department stores or other retail outlets (pharmacies, clothing, hardware, or food stores, for example) operated by these companies.

Many American companies have made profitable connections in Nigeria with small or medium-sized firms which act principally as manufacturers' representatives. These firms—both expatriate and Nigerian—often trade in a wide variety of capital and consumer goods although as a rule they prefer lines not requiring elaborate servicing or sales facilities. Some of these firms will carry stocks on their own account and act both as distributor and sales manager; most, however, are reluctant to become involved in actual distribution and act chiefly as commission agents.

Many types of consumer goods and other items which do not require extensive technical or servicing facilities can be distributed effectively through the growing number of Nigerian importers-distributors. A few of these firms also are gradually entering the picture with regard to some types of technical goods. One Nigerian firm, for example, is very successfully selling and servicing American-made public address systems. Nigerian firms are expected to become increasingly important in the general retail field as a result both of strong Government and public pressure for Nigerianization and of the redeployment policies of the large expatriate firms.

In selecting an agent, the exporter should consider carefully the advantages and disadvantages offered by each of the various classes of importers. Advantages of the major trading companies as business contacts include, generally, their coverage of Nigeria in terms of sales and servicing facilities (many of them, in fact, operate throughout West Africa); the potential size of their orders;

[1] The United Africa Company Limited, *Statistical and Economic Review*, April 1963. Shenval Press, London, page 33.

Ibadan worker in United Africa Company plastics plant, one of Nigeria's large expatriate trading companies

the availability, in many cases, of buying agents in the United States; their unquestioned financial reliability; and their long experience in foreign trade. At the same time, however, these companies may not be able to provide the kind of individual attention to sales promotion the exporter would desire.

Some foreign firms have exclusive importer-distributor agreements with the large trading houses but have set up their own sales and service staff, sometimes within the trading house structure. Thus, the foreign producer takes charge of sales promotion while the trading house imports and distributes the product.

Manufacturers agents are often particularly effective in that they can offer representation which covers both the quality market—that is, the department stores and established retail outlets in urban areas—and the traditional markets of petty traders, bazaar stall holders, and market women. Depending upon the individual firm, of course, the agent may be ideally equipped to carry out intensive promotional work and to keep close watch on sales performance and market developments.

Advantages of dealing with Nigerian traders include the close touch which they maintain with consumer tastes; their personal contacts with subdistributors and their knowledge of business techniques in Nigeria; their ability to merchandise a line in small quantities until it gains acceptance; their ability to promote individual lines intensively; and the longrun advantages of doing business with nationals of Nigeria rather than with resident foreigners.

Establishing reliable trade contacts and an effective system of distribution can easily be the most difficult single problem facing a prospective exporter, and the businessman planning on entering this market should be prepared to adopt a realistic approach. Capable and well-established importers in Nigeria can afford to be choosy in accepting new agencies or handling new products. Most newly introduced American products will be competing with similar products from manufacturers in the United Kingdom, Western Europe, and Japan who already have working arrangements with major importers. Since the largest firms already handle wide selections in most lines of imports, the American exporter may be obliged to deal with a smaller or less experienced representative than he might otherwise prefer.

The situation in this regard, of course, will vary with the individual product involved. Managers of even the largest retail chains express an interest in being contacted by exporters or manufacturers with new or competitive product lines; these firms are in business, and as with firms anywhere else in the world, they are more than happy to take on new lines which offer prospects of higher turnover or wider profit margins. One American manufacturer, for example, visited Lagos recently with a line of locks and doorknobs which were obviously well suited to the needs of the Nigerian market. This businessman found two or three of the largest and most experienced trading companies operating in Nigeria very anxious to obtain an agency for his product line.

Further, small and medium-sized importers sometimes offer advantages which offset what they may lack in size. Several American firms, for example, have established very successful contacts lately with such importers who are actively seeking lines to put on the market in direct competition with established brands of merchandise for which the large European trading houses hold exclusive agencies.

Purchasing decisions in the major expatriate firms are generally made at the overseas headquarters and buying offices of these companies—for the most part in London, Liverpool, Paris, and New York. Representatives of U.S. firms wishing to deal with these larger importers, therefore, should plan to visit their head offices. At the same time, however, contact in person with local managers at the Nigerian offices can be very useful; judgments of the local managers as to the marketability of various products are ordinarily accepted at the home offices of these firms. It is not uncommon in this connection for agents to provide shipments on a consignment basis from local stocks so that the local manager is able to test consumer acceptance of a new line.

It is frequently suggested that American manufacturers or exporters should consider establishing their own sales outlets in the country as a means of overcoming the problem of securing really effective sales and service representation. This suggestion appears to be most applicable to fields of merchandising requiring large investment in technical equipment or inventories, large-scale organizational capability, or specialized knowledge along either technical or managerial lines.

Two types of operations are most often mentioned in this connection as offering profitable opportunities for American business talents: (1) Technical sales and servicing (establishing an organization to import capital equipment and goods, and to operate a chain of sales and servicing facilities); and (2) large-scale general merchandising (operating large, modern department stores).

Setting up organizations along either of these lines would not conflict with Government policies aimed at increasing Nigerian participation in commerce. Such operations are acknowledged to be beyond the financial capacity and organizational resources of most Nigerian firms at present, and representatives of the Federal Ministry of Commerce and Industry have stated that additional competition in these lines would be in the public interest.

GOVERNMENT PROCUREMENT

Procurement of goods and services by the Federal and Regional Governments is handled by each Ministry, there being no central Government purchasing agency. While a large part of Government procurement is channeled through the Crown Agents in London, various other purchasing methods are also used, depending on the size and nature of the order; needed materials, equipment, and services may be obtained by issuing international tenders (ordinarily issued through the Crown Agents), by publication of local tenders, by direct local purchase, or through contractors responsible for a particular project.

Use of direct local purchasing through tenders or otherwise to obtain goods and services is generally restricted to cases where a small project evidently of interest only to local suppliers or contractors is involved, and to procurement of items for day-to-day operations, such as office supplies and furniture. Preference, of course, is given to locally manufactured items when available. It is reported, however, that direct purchases are becoming increasingly common in some ministeries even for relatively large expenditures, such as routine acquisition and replacement of technical equipment, machinery, and vehicles.

American firms seriously interested in supplying equipment, materials, or services to Federal or Regional agencies or statutory corporations will find it virtually essential to maintain effective representation in Nigeria, either through an aggressive local agent or through the company's own representative. Past experience has shown that price is by no means the sole factor considered by Government agencies in the award of contracts; personal contacts can be invaluable in ensuring that full information reaches responsible parties with regard to a product's quality, reliability, and servicing and maintenance features.

The Crown Agents Office is a private, self-supporting organization which provides a wide range of financial, commercial, and consultative services to governments and to international and Government-sponsored public authorities on a contract basis. The Office charges a commission for services rendered to meet administrative and working costs. The basic function of the Crown Agents, and that for which they are best known, is the purchase, inspection, shipment, and insurance of supplies, materials, machinery, and equipment of any kind. The organization annually places well over 150,000 orders, totaling some $168 million, with manufacturers in countries all over the world.

Governments and public authorities utilizing these services on a regular basis include: Nigerian Federal and Regional Government, Bornu Native

Administration, Kano Native Authority, Katsina Native Authority, Lagos Town Council, Sokoto Native Administration, Nigerian Railway Corporation, Nigerian Broadcasting Corporation, Nigerian Ports Authority, Central Bank of Nigeria, Eastern Nigeria Information Services Corporation, Eastern Nigera Library Board, Nigerian Coal Corporation, Nigeria Hotels, Nigeria Delta Development Board, Northern Nigerian Native Authorities Housing Corporation, Western Nigeria Development Corporation, Western Nigeria Housing Corporation, Ahmadu Bello University, Ibadan University College, Nigeria College of Arts, Science and Technology, University of Ife, University of Nigeria, and Nigerian Defense Forces.

Since the reputation of the Crown Agents rests on their ability to secure for clients virtually any item on the international market from least-cost sources, the company maintains a large staff of specialists whose job it is to maintain intimate knowledge of products of all kinds available in the major manufacturing countries of the world. Manufacturers are invited to submit particulars of their products to the head office of the Crown Agents at 4 Millbank, London, S.W. 1, England, or to the branch office in the United States at 3100 Massachusetts Avenue NW., Washington, D.C., 20036.

ADVERTISING

Use of advertising has grown very rapidly in the past few years. In view of the essentially conservative buying habits of most consumers, manufacturers have found advertising to be not only effective but necessary in securing widespread acceptance of new products on the market. At the same time, as the market has become so intensely competitive in almost all fields recently, even those producers with old established lines have found it necessary to increase their advertising, both in scope and intensity, to keep their products in the mind of the buying public and to maintain sales.

As a rule, uncomplicated and straightforwarded presentation has proven most effective. With the relatively low rate of literacy in the country, advertisers invariably use clear, uncluttered illustrations and simple messages aimed at establishing direct product recognition.

Most advertising for consumers' goods appeals directly and openly to the consumers' aspiration for financial success, phyical prowess, and, especially, popularity; subtlety in presentation is not generally profitable. "Situation advertising," whether printed or verbal, typically relates the story of someone achieving success in one form or another as a direct result of using the product in question. Poster, magazine, and newspaper ads often show the consumer in an obviously desirable setting—it is a rule that the product itself must be clearly and prominently displayed in the picture—and have short, to-the-point messages.

A number of advertising firms are operating in Nigeria. Most of them are under British management and provide services in other African countries as well. At least one American advertising firm is presently considering establishing offices in Nigeria.

Local advertising firms are well acquainted with the most effective marketing techniques in Nigeria and with the suitability of the various media for promoting sales of any particular type of product. Services of a firm with offices in the country should definitely be utilized by any manufacturer intending to direct a promotional effort at the Nigerian market. Factors influencing the Nigerian's decision to buy are not always identical with those of his American or European counterpart, and unless the characteristics of the buyer in Nigeria are taken fully into account, an advertising campaign might misfire completely. Small points in wording of advertising copy, for example, can have an important bearing on the effectiveness of a sales promotion program; although English is the official language in Nigeria, levels of comprehension vary widely, and local usage sometimes differs from that in the United States.

Newspapers

The average Nigerian has a great interest in current events, and newspapers are very widely read. In many villages and markets it is common for the paper to be read aloud—every word of it, including advertisements—so that the medium's effectiveness extends beyond the literate population, and readership figures per copy are much higher than in the United States or in European countries.

Ads for producers' equipment appear more frequently in Nigerian papers than in the United

States due to the relative lack of specialized trade publications.

A number of newspapers are published in Nigeria; most are in English although there are a number printed in the principal vernacular languages. Advertising rates are quite low. Leading English language papers are the following (estimated circulation in parentheses):

Daily—Daily Times (114,600); Morning Post (65,000); Daily Express (55,300); West African Pilot (47,300); Nigerian Tribune (30,000).

Weekly—Sunday Times (147,300); Sunday Express (72,200); Sunday Post (68,600); Nigerian Citizen (28,000).

Magazines

Several popular magazines enjoy wide circulation. As with newspapers, multiple readership is very high so that circulation figures greatly understate advertising effectiveness; estimated life of many magazines in the country is 3 months, and readership per copy is placed by some as high as 15 to 20.

In addition to the magazines listed below, which relate especially to Nigeria, a number of popular British and American periodicals are sold in the country. Advertising rates shown are for single insertions in black and white; color ads may be placed in most magazines at extra cost, and rates are discounted for multiple insertions.

Drum: A pictorial, general interest monthly which is printed in several editions and circulates in many African countries. The Nigerian edition contains about 50 pages and sells for 14 cents.

Circulation of Nigerian edition: 116,000, including 8,000 copies going to Sierra Leone.

Rates: Range from $35.50 for a 3-inch, single-column ad to $709.80 for a full page.

Spear: A monthly general interest magazine circulating primarily in Nigeria, but sold also in other English-speaking West African countries and in London. Contains about 50 pages, with a cover price of 14 cents.

Circulation: 41,000.

Rates: $3.64 per single-column inch; $154 for full page.

Flamingo: A monthly picture magazine printed in three editions—British, West African, and American. The West African edition circulates in Ghana, Nigeria, Sierra Leone, and Liberia. Price is 14 cents.

Circulation: 37,000.

Rates: $7.70 per single-column inch; $210 for full page.

Read: The Nigerian edition of Reader's Digest. A monthly, running about 80 pages, this magazine was introduced at the beginning of 1963. Cover price is 14 cents.

Circulation: 25,000 (guaranteed).

Rates: $140 for full page.

West Africa: A weekly news-type magazine published in London and dealing with political and economic developments in West Africa. Circulates in interested business, academic, and Government circles both in Africa and in overseas countries. Price is 14 cents.

Circulation: 8,000.

Rates: Vary from $8.75 for an eighth page to $70 for a full page.

Trade Publications and Professional Journals

Formation of trade associations in Nigeria has thus far been somewhat limited, and there are relatively few trade journals published relating specifically to Nigeria. Those trade publications in circulation, however, are widely read in relevant circles, and appear to offer an effective means of reaching selective audiences. Leading Nigerian publications of this type are:

Nigeria Trade Journal: A quarterly, published by the Nigerian Federal Ministry of Information, which carries articles on trade, industry, and agriculture and reviews of marketing conditions of the country's principal exports and imports. Cover price is 35 cents. There are ordinarily about 48 pages of text and 48 pages of advertising in the magazine. Read by businessmen, Government officials, and researchers both in Nigeria and overseas.

Circulation: 7,000.

Rates: Vary from $33.60 for a quarter page to $112 for full page.

West African Technical Review. Quarterly. Contains articles on industry, technology, and technical education and research. Published by W A Technical Review, Buckingham House, Princess Street, Manchester 1, England. First issue (May 1963), 48 pages self-covered with 22 pages of advertising. Price, 35 cents a copy.

The Broadsheet. Monthly, published by Federation of Building and Civil Engineering Contractors in Nigeria, P.O. Box 220, Yaba, Lagos. Contains 10 to 12 pages of mimeographed news items on construction and engineering developments.

Circulation: 550.

Rates: $11.20 for full page.

Commerce in Nigeria: The annually published organ of the Lagos Chamber of Commerce. Contains about 140 pages of general articles on trade and industry in Nigeria as well as a classified directory of member firms of the Lagos chamber. Distribution is to member firms in Nigeria and to chambers of commerce and trade associations in other countries.

Circulation: 4,000.

Rates: From $26.25 for a half page to $105 for full page.

The Lagos Chamber of Commerce also publishes a Quarterly Review which contains items of interest to businessmen operating in Nigeria. The circulation of approximately 800 is almost entirely within the country to member firms and government agencies. Rate for a full page ad is $56.

West African Builder and Architect: A bimonthly containing articles of interest to firms engaged in building and construction in West Africa. Read by private businessmen, personnel of town planning authorities and other interested Government departments, and professional architects and engineers in Nigeria (55 percent of total distribution), Ghana (30 percent), Sierra Leone (5 percent), and overseas countries (10 percent). Price is 49 cents per copy which, on the average, contains some 20 pages of text and 34 pages of advertisement.

Circulation: 2,000 (total).

Rates: From $25.20 for a quarter page to $70 for full page.

The Nigerian Grower and Producer: A bimonthly devoted to agriculture, stock raising, forestry, and related topics. About 24 pages in length, cost is 18 cents. The publication circulates widely among larger scale agricultural producers, and interested government and research agencies in Nigeria.

Rates: From $25.20 for a quarter page to $70 for full page.

West African Medical Journal: A bimonthly journal presenting papers concerned with medical cases and problems in West Africa. Contains about 50 pages of text and 36 pages of advertisement. Price is 84 cents per issue. The journal is read by the medical profession in Nigeria and other English-speaking West African countries; approximately 55 percent of total circulation is within Nigeria.

Circulation: Over 1,000 (total).

Rates: From $19.60 for a quarter page to $56 for full page.

West African Pharmacist: A bimonthly dealing with pharmaceutical activities and developments in Nigeria, Ghana, Sierra Leone, and Gambia. Contains about 24 pages of text and 26 pages of advertisement. Circulates to Government health departments, libraries, private pharmacists, and pharmacists in hospitals and medical centers throughout West Africa. About 45 percent of total distribution is to Nigeria.

Circulation: 1,250.

Rates: From $19.60 for a quarter page to $56 for full page.

Journal of the Pharmaceutical Society of Nigeria: A quarterly professional journal ordinarily containing approximately 24 pages of text and 8 pages of advertising. Cost is 46 cents per issue.

Rates: From $19.60 for a quarter page to $46.20 for full page.

West African Directory, 1963–64: A newly published annual, hard bound, and over 600 pages in length. Gives a wide range of political, economic, financial, and commercial information on both English- and French-speaking West African countries as well as a classified business directory for each country. Cover price is $5.88 per copy, and circulation is primarily to businessmen interested in trade and investment in West Africa. See section, Nigerian Directories and Government Publications and Services.

Rates: From $39.20 for a quarter page to $168 for full page.

Radio and Television

Five broadcasting companies provide radio coverage to the entire country and television service to the principal cities.

Advertising men in Nigeria regard radio as one of the most effective means of reaching the mass

audience, because of the large number of sets in operation, and because effectiveness of the medium is not restricted by literacy problems. There are no accurate statistics as to the number of radio sets in Nigeria. According to estimates made by the various broadcasting companies, however, there are about 200,000 radios in the Northern Region, 215,000 in Lagos and the Western Region, and over 1 million in the Eastern Region. The total, therefore, may be as high as 1.5 million.

The number of sets purchased has been increasing rapidly with the introduction into the market of low-cost radios and transistorized portable sets which do not depend on electricity installed in the home—small plug-in models with standard broadcast and one shortwave band are currently retailing for as low as $17.50 and transistor portables with standard and two shortwave bands for $32. One broadcasting executive has reported that radio ownership should increase very sharply in the near future since a Japanese-made standard-band transistor radio retailing for only $9.80 is about to be introduced.

The average number of listeners per radio in Nigeria appears to be high. Most sources agree on an estimate of six.

The number of television sets in Nigeria is not large. Station operators estimate that there are presently about 1,200 sets in the North, 1,500 in the East, and 10,000 in Lagos and the West. The number in the East is expected to increase substantially, however, when television broadcasting is extended to the high-income Port Harcourt area in mid-1964.

Television sets are owned primarily by expatriate families and by high-income Nigerian businessmen and Government officials; a small but gradually increasing number are sold to middle-income Nigerians, such as executive officers and traders. The number of viewers per set varies widely, ranging from an estimated 4 in the homes of expatriate families to as high as 75 in some of the middle-class homes where television viewing often involves an entire neighborhood. Community viewing centers have been established in a large number of villages throughout the country; attendance at these centers frequently ranges from 200 to 300 persons. On an overall basis, the average number of viewers per set is estimated to be 25.

Sponsored programs and spot or station break announcements are available on all radio and television stations, and all stations are staffed to produce commercials in English or any of the popular vernacular languages. Production charges are nominal. For illustrative purposes, advertising rates are given below for each station for 30 and 60 second spot announcements on prime time. Frequency discounts apply, and rates are less for off-peak listening hours.

Nigerian Broadcasting Corporation (NBC) covers all of Nigeria, broadcasting on shortwave, mediumwave, and FM. Programs of national interest are transmitted over the country as a whole, while those of regional interest are broadcast separately from the regional headquarters in Ibadan, Enugu, and Kaduna. Commercials may be arranged for national or regional coverage.

Programs are also carried over a system of rediffusion boxes which are wired into homes for a monthly charge of 6 shillings ($0.84). About 86,000 of these extension speakers are currently installed.

Hours: 6:20 a.m. to 8 p.m.

Rates: (national coverage) 60 seconds—$55.30; 30 seconds—$30.80

Nigerian Television Service (NTS): Presently broadcasting only to the Lagos area, this station will operate an additional transmitter in Ibadan in the near future.

Hours: 5.45 p.m. to 9.30 p.m., weekdays; 5:45 p.m. to 10.30 p.m., Saturdays and Sundays.

Rates: 60 seconds—$33.60; 30 seconds—$22.40.

Western Nigeria Radiovision Service, Ltd.

Sound Broadcasting (WNBS): Operates shortwave and mediumwave transmitters covering the Western Region, including Lagos.

Hours: 6 a.m. to midnight, daily.

Rates: 45 seconds—$14; 30 seconds—$11.20.

Television Network (WNTV): Operates transmitters in Ibadan and Lagos.

Hours: 37½ hours a week.

Rates: 60 seconds—$33.60; 30 seconds—$22.40.

Eastern Nigeria Broadcasting Corporation

Radio (ENBS): Transmits on medium and short-wave bands, covering all of Eastern Nigeria.

Hours: 6 a.m. to midnight Monday through Saturday; 7 a.m. to 11 p.m. Sunday.

Rates: 45 seconds—$14; 30 seconds—$11.20.

Television (ENTV): Transmitter presently operating at Enugu, with additional facility being installed at Aba to cover the heavily populated Port Harcourt area.

Hours: 6:30 p.m. to 11 p.m. nightly.

Rates: 60 second—$25.20; 30 seconds—$16.80.

Broadcasting Company of Northern Nigeria, Ltd.

Radio (Radio Kaduna): Covers all of Northern Nigeria on shortwave and mediumwave bands.

Hours: 5 p.m. to 11 p.m.

Rates: 60 seconds—$14; 30 seconds—$7.70.

Television (Radio Kaduna Television): Signals broadcast to Kaduna, Zaria, and Kano.

Hours: 7 p.m. to 10 p.m. Sunday-Friday; no transmissions Saturday.

Rates: 60 seconds—$28; 30 seconds—$15.40.

Theaters

Motion picture advertising is widely used and the 90 or so theaters operating throughout the country offer an effective means of reaching a large number of potential customers. The annual theater audience is estimated at 5 million persons. An advantage of theater advertising is that it reaches a population above the subsistence level and with some freely disposable income; admission prices ordinarily run from the equivalent of $0.20 to $0.50.

Advertising rates vary depending on location and size of theaters; charges for nightly showings of a 1-minute film range from approximately $20 to $35 per week.

Point-of-Sale Advertising

Point-of-sale advertising is used increasingly in department stores and larger established retail outlets in Nigeria. Managers of these stores are aware of the importance of attractive product presentation and of the effects proper placement of merchandise can have on impulse buying. Display material from manufacturers is welcomed and, when provided, is invariably used to great advantage.

In the smaller retail shops and market stalls throughout the country, however, such merchandising aids are seldom if ever used. Goods are usually stacked or arranged in an orderly manner, but space limitations and the small stocks of any particular item usually carried by these merchants preclude the use of elaborate display material.

Product presentation is important in this marketing situation, as it is in any other, however, and much can be done through attractive packaging.

Other Media

Other advertising media used in Nigeria include bus and train placards, posters, billboards, and traveling sales promotion vans.

Advertising in buses is used in the Lagos area where the only municipal bus system is operated. The railway system is well developed; some 11 million passengers are carried annually. Posters and billboards are used very extensively in cities and villages and along roadways all over the country.

Sound vans are a widely used and very effective method of advertising in Nigeria. These vans, generally operated by manufacturers agents or by direct importers with exclusive lines, travel to the cities, towns, and even small villages. Music or other entertainment is used in order to attract a crowd; this is followed by an intensive sales presentation and a demonstration of the product.

Advertising with vans is an expensive operation in terms of cost per customer reached, but it is considered to be highly effective and indeed essential as a means of introducing new products into more remote market areas.

PACKING AND PRESENTATION

Businessmen well acquainted with product presentation in West Africa are unanimous in their opinion that the most effective label on an item to be sold in Nigeria is one which is already widely recognized in European or American markets, and that, in most cases, little is to be gained from designing new package markings especially for the purpose of appealing to the Nigerian customer.

Many experts recommend, when the packaging of an item already being sold in the country is to be changed in any way, that the new package, if at all possible, should first be displayed in the larger retail outlets where the expatriate and high-income Nigerian population does its shopping, and that sufficient advertising should be posted to assure the consumer that only the package and not the product has been altered. Where the item

has been enjoying good sales in Nigeria, such changes should be made only after careful consideration and consultation with local marketing specialists to ensure that adverse effects on sales are not encountered.

Close attention should be given to the size of the container and the type of packaging material in which the item will be sold. Many products are sold at the retail level in very small quantities, and, for types of goods where this factor is relevant, manufacturers may well find it advantageous to package accordingly. Containers usually have value in Nigeria aside from their contents—they are used to store food in the home and for a variety of other purposes—so that reusable containers of glass, metal, or plastic are generally preferable to paper cartons or cellophane bags.

There are few general statements that can be made regarding the most effective design of labels or special packages for the Nigerian consumer market. One recognized rule is that the design should be distinctive and incorporate some sort

Infant care products find a promising market at this "baby corner" in an Ibadan department store.

of bold, clearly understandable symbol so that the item is readily distinguishable by the package or mark itself. The most important rule, however, is that local advice from competent marketing specialists should be sought in any such undertaking.

With regard to crating shipments of goods for Nigeria, use of rugged materials is extremely important; cardboard boxes alone usually are not sufficient, and goods so packed are very likely to reach their ultimate destination in damaged condition. Goods are liable to be landed by lighter at many Nigerian ports, to be handled at several points in transit, and to be exposed to severe climatic conditions during transportation to inland points. Crates should be clearly marked and, where possible, of a size to facilitate loading and unloading by hand. Packing should also be such as to minimize risk of pilferage. Items subject to damage by humidity or moisture should be packed in sealed containers or waterproof materials, and perishable goods must be in airtight containers.

CHAMBERS OF COMMERCE AND TRADE ASSOCIATIONS

Chambers of commerce have been organized in a number of Nigeria's leading cities and commercial centers, and members of these organizations in most cases include almost all established industrial and commercial firms in their respective communities. The chambers perform all functions normally associated with such organizations, acting as representatives for the business community, furthering common interests of the members, and holding regularly scheduled meetings to discuss legislative changes affecting commerce or industry and other pertinent matters.

Bulletins are sent by the chambers to all members giving the minutes of meetings as well as information about trade inquiries received from firms abroad. This is a useful service through which an American firm may be able to establish business contacts in a particular city.

The various chambers of commerce are also able to assist visiting businessmen in making local contacts, in obtaining general economic or commercial information about a community, or in establishing an operation.

Trade associations in Nigeria may also be useful points of contact. Some of the associations such as the Nigeria Timber Association and the Nigerian Chamber of Mines have been in operation for a number of years and are quite active, while others are relatively new organizations which have not as yet acquired a wide membership.

Some of the principal chambers of commerce and trade associations in Nigeria are the following:

Aba Chamber of Commerce
P.O. Box 622, Aba

African Chamber of Commerce
73, Oluwole Street, P.O. Box 478, Lagos

Association of Accountants in Nigeria
Marina House
63 Marina, P.O. Box 549, Lagos

Association of Master Bakers, Confectioners and Caterers of Nigeria
13/15, Custom Street, Lagos

Association of Singlet and Shirt Manufacturers (Nigeria)
64, Idoluwo Street, Lagos

Association of West African Travel Agents (Nigeria)
P.O. Box 35, Lagos

Federation of Building and Civil Engineering Contractors
8, Jibowu Street, P.O. Box 220, Yaba

Ibadan Chamber of Commerce
Co-operative Bank Building
Private Mail Bag 5168, Ibadan

Kano Chamber of Commerce
P.O. Box 10, Kano

Lagos Chamber of Commerce
35/37, Martin Street, P.O. Box 109, Lagos

Nigerian Association of African Importers and Exporters
35, Kosoko Street, Lagos

Nigerian Chamber of Mines
P.O. Box 454, Jos

Nigerian Motor Distributors' Association
P.O. Box 542, Lagos

Nigerian Rubber Dealers' Association
P.O. Box 27, Sapele

Nigeria Timber Association
60/1, Martin Street, Private Mail Bag 2264, Lagos

Onitsha Chamber of Commerce
50, Old Market Road, P.O. Box 181, Onitsha

Pharmaceutical Society of Nigeria
4, Tinubu Square, P.O. Box 546, Lagos

Port Harcourt Chamber of Commerce
P.O. Box 71, Port Harcourt

Refrigeration Association of Nigeria
c/o Federal Institute of Industrial Research, Lagos

Federal Ministry of Commerce and Industry
P.M.B. 1023, Lagos

Second-Hand Clothing Importers' Association
19, Milverton Avenue, P.O. Box 252, Aba

CREDIT INFORMATION

Credit information on firms in Nigeria is available to the American exporter from several sources; in keeping with sound business practice in international trade, the exporter should make full use of these facilities and obtain as much data as possible about prospective trade contacts before making any business commitments.

The most readily available source of such information is the exporter's local bank. Most American banks doing international business have correspondents among the licensed banks operating in Nigeria and can obtain information for their customers about Nigerian firms through these correspondents. Licensed commercial banks in Nigeria are the following (addresses of the head offices in Nigeria only are shown; the majority of these banks also have branch offices throughout the country):

African Continental Bank, Ltd.*
148, Broad Street, Lagos

Agbonmagbe Bank, Ltd.
168, Strachan Street, Eboute-Metta, Lagos

Arab Bank, Ltd.*
Abibu Oki Street, Lagos

Bank of America*
136, Broad Street, Lagos

Bank of West Africa, Ltd.*
Marina, Lagos

Bank of India, Ltd.*
36/38, Balogun Square, Lagos

Bank of Lagos*
5/7, Belogun Street, Lagos

Bank of the North, Ltd.*
9D, Civic Centre, Kano

Banque de L'Afrique Occidentale*
30, Hadejia Road, Kano

Barclays Bank D.C.O.*
40, Marina, Lagos

Berini (Beirut Riyad) Nigeria Bank, Ltd.*
38, Balogun Street, Lagos

Chase Manhattan Bank*
Investment House, Broad Street, Lagos

Co-operative Bank of Eastern Nigeria, Ltd.
Milverton Avenue, Aba

Co-operative Bank of Western Nigeria, Ltd.
Co-operative Buildings, New Court Road
Private Mail Bag 5137, Ibadan

Muslim Bank (West Africa), Ltd.
16, Williams Street, Lagos

National Bank of Nigeria, Ltd.*
82/86, Broad Street, Lagos

United Bank for Africa*
(partly owned by Bankers Trust Company of New York)
127/129, Broad Street, Lagos

*Authorized foreign exchange banks.

Other ready sources of credit information on firms in Nigeria include the U.S. Department of Commerce and the Nigerian Federal Ministry of Commerce and Industry. Services of these Government agencies are discussed in the next section.

Exporters are cautioned to verify the reliability of credit information which may be received from unknown credit rating or guaranteeing firms abroad. A number of American and other foreign firms over the past few years have sustained losses after making shipments to Nigeria on the basis of credit reports received from fictitious Nigerian commercial credit or guarantee firms. Activities of such fraudulent credit agencies, of course, are of serious concern to the vast majority of reputable businessmen in Nigeria and to the Nigerian Government, and efforts are being made to control these instances of business malpractice. Information on the reliability of any unknown Nigerian financial agency from which credit reports are received may be obtained through U.S. Department of Commerce Field Offices, from the Commercial Intelligence Division of the Department of Commerce in Washington, or from the Nigerian Federal Ministry of Commerce and Industry.

MARKETING AIDS

U.S. Government Services and Publications

The U.S. Department of Commerce offers a wide range of services and publications designed to assist American businessmen trading or investing abroad. The manufacturer or exporter considering the Nigerian market is encouraged to utilize these services:

— To obtain lists of firms in Nigeria. Trade lists are compiled by Foreign Service Officers abroad and published by the Commerce Department, giving names and addresses of firms and short descriptions of their operations. They are available for $1 each from any Commerce Department Field Office or from the Commercial Intelligence Division, U.S. Department of Commerce, Washington, D.C., 20230. The following trade lists have been prepared for Nigeria:

Air Conditioning & Refrigeration Equipment—I, D, & M
Automotive Vehicles & Equipment—I & D
Beverages, Non-Alcoholic—M
Books, Magazines & Periodicals—I & D
Chemicals—I & D
Dry Goods & Clothing—I & D
Electronic Equipment for Home Entertainment, Phonograph Records and Pre-Recorded Tapes—I, D, & M

Hardware—I & D
Importers and Manufacturer's Representatives (a listing of large and medium-sized importers active in more than one line of business, including all the major trading companies)
Machinery, Equipment & Supplies, Electrical—I & D
Machinery & Equipment, Except Electrical—I & D
Machinery & Equipment, Farm—I, D, & M
Medicinal & Toilet Preparations—I, D, & M
Mining Companies & Exporters of Ores
Office Supplies & Equipment, Paper & Stationery—I & D
Petroleum Products—I, D, P & R
Provisions—I & D
Tobacco & Tobacco Products—I, D, & M

(D—Dealers or Distributors; I—Importers; M—Manufacturers; P—Producers; R—Refiners)

— To obtain descriptive information on firms in Nigeria. World Trade Directory Reports (WTD's) are compiled and distributed in the same manner as Trade Lists and, are available for $1 each. WTD's may be obtained on firms in any Free World country; each report contains detailed commercial and sales information on a specific foreign firm to provide a basis for determining the firm's competence and reliability. Information includes data as to type of organization, method of operation, lines handled, size, capitalization, sales volume, names of officers, reputation, representatives in the United States and U.S. lines represented (if any) as well as sources of credit information and other references.

— To find an agent or representative in Nigeria. Trade Contact Surveys will be made on request by commercial specialists at the American Embassy, Lagos. Local firms are contacted to locate a qualified agent, distributor, or licensee; the Embassy's report will give pertinent information on firms expressing an interest and meeting the American firm's specific requirements (at least three if possible) as well as marketing data for the product(s) involved. A charge of $50 is made for each survey. Details and necessary application forms are available from Commerce Department Field Offices or from the Commercial Intelligence Division, Department of Commerce, Washington, D.C.

Ibadan, Capital of Western Region and largest city in West Africa with more indigenous population than any city in Africa.

— To place sales literature on display in Nigeria. American Embassies and Consulates in countries around the world maintain commercial libraries for the use of local businessmen. Firms wishing to place literature about their products in these commercial libraries in Nigeria or other countries abroad should write to the Office of International Trade Promotion, Bureau of International Commerce, U.S. Department of Commerce, Washington, D.C., 20230, or contact a Field Office.

— To follow current economic and commercial developments in Nigeria.

— To get specific leads for trade opportunities.

— To learn of invitations for tenders for construction projects or Government provisions and supplies.

INTERNATIONAL COMMERCE, the Commerce Department's weekly news magazine for businessmen interested in trade and investment abroad, reports on general economic conditions in countries around the world and lists opportunities for export sales of specific U.S. products. The subscription price is $16 a year; checks should be sent to the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402.

— To obtain basic economic and commercial information about Nigeria. Overseas Business Reports (formerly World Trade Information Service reports), special supplements to International Commerce, and various other reports are prepared by the Commerce Department's Office of International Regional Economics on the basis of reports submitted by commercial and economic specialists at American Embassies overseas or in connection with surveys conducted abroad by Commerce Department personnel. A checklist of these international business publications may be obtained free of charge from the Publications Sales Section, U.S. Department of Commerce, Washington, D.C., 20230.

The following reports on Nigeria or on marketing in Africa as a whole are currently available from the Superintendent of Documents or from Department of Commerce Field Offices:

Foreign Trade Regulations of Nigeria, OBR–63–122, 10 pp. September 1963. 15 cents.

Africa—Sales Frontier for U.S. Business, a supplement to International Commerce. 121 pp. March 1963. $1.

Living Conditions in Nigeria. OBR–63–14. 6 pp. January 1963. 15 cents.

Market Indicators for Africa. WTIS, part 3, No. 62–20. 20 pp. August 1962. 20 cents.

Establishing a Business in the Federation of Nigeria. WTIS, part 1, No. 62–57. 8 pp. July 1962. 15 cents.

Market for U.S. Products in Nigeria. WTIS, part 1, No. 61–12. 24 pp. 1961. 15 cents.

— To obtain specific economic or commercial information about Nigeria. Specific questions about any aspect of the Nigerian economy or about customs duties, or licensing and documentary requirements applicable to imports of particular commodities into Nigeria should be directed to any Commerce Department Field Office or to the Africa Division, Bureau of International Commerce, U.S. Department of Commerce, Washington, D.C., 20230.

Businessmen may obtain further information on any of the above, or on other Department of Commerce publications and services through any Commerce Department Field Office. Full information on Commerce Department services to exporters as well as on private business aids to marketing abroad is contained in the booklet *What You Should Know About Exporting*, available for 25 cents from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402.

Nigerian Directories and Government Publications and Services

There are available a number of business directories covering Nigeria and publications of the Nigerian Government which contain classified or alphabetical lists of firms or other relevant information for businessmen. Publications preceded with an asterisk in the following list may be obtained on loan through Commerce Department Field Offices or from the Africa Division, Bureau of International Commerce, U.S. Department of Commerce, Washington, D.C., 20230.

Directory of the Federation of Nigeria, 1962. Contains general commercial, financial, economic, and political information as well as alphabetical and classified lists of firms in Nigeria. 248 pages. $5.60 postpaid. Diplomatic Press and Publishing Co., 13 Cotswold Gardens, London, N.W. 2.

West African Directory, 1963–64. Includes commercial, financial, economic, and political information and classified business directories for all West African countries. 624 pages. Thomas Skinner & Co. (Publisher) Ltd., London. Available in United States at $7 postpaid from the publisher, 111 Broadway, New York, N.Y., 10005.

**Commerce in Nigeria.* Annual. Official publication of the Lagos Chamber of Commerce. Contains information on commerce and industry in Nigeria and a classified directory of member firms of the chamber. 140 pages. Free on request. Lagos Chamber of Commerce, P.O. Box 109, Lagos.

**Port Harcourt.* Official publication of the Port Harcourt Chamber of Commerce. Includes information on the Port Harcourt area plus alphabetical and classified directories of member firms of the chamber. 74 pages. Free on request. Port Harcourt Chamber of Commerce, P.O. Box 71, Port Harcourt.

Handbook of Commerce and Industry in Nigeria. Annual. A detailed guide to Nigeria including information on all aspects of the country's economy and political structure. Contains the complete import tariff schedule and texts of laws relating to import licensing, a map supplement, and a section for visitors to Nigeria which includes a tabulation of facilities and charges at all hotels and resthouses in the country. 408 pages and supplement with 12 maps. $6 postpaid. Prepared by the Nigerian Federal Ministry of Commerce and Industry; available in the United States from the Vice Consul (Commercial), Trade and Investment Division, Nigerian Consulate General, 575 Lexington Avenue, New York, N.Y., 10022.

Directory of Industries and Allied Trades in Western Nigeria. Contains data on industrial and commercial development in the Western Region and a classified directory of firms. New edition presently under preparation. Approximately 60 pages. Free on request. Western Nigerian Ministry of Trade and Industry, Ibadan.

**Guide to Trade and Investment in Eastern Nigeria.* Covers general aspects of marketing and investing in the Eastern Region. 14 pages. Free on request. Eastern Nigeria Information Service, c/o Barnet and Reef Associates, Inc., 445 Park Avenue, New York, N.Y., 10016.

**Industrialists' Guide to Northern Nigeria.* Provides basic information on the economy and industrial development of the Northern Region. 72 pages. Free on request. Northern Nigerian Ministry of Trade and Industry, Kaduna.

**Industrial Directory.* A list of all major manufacturing plants (10 or more employees) in Nigeria—700 in number—arranged according to the International Standard Industrial Classification system of the United Nations. Entries for each firm include name, address, specific product or products manufactured, and the approximate number of employees. Prepared by the Federal Ministry of Commerce and Industry with the assistance of an advisory team from Arthur D. Little, Inc., sponsored by the U.S. Agency for International Development (AID). Free on request. Economics and Statistics Division, Federal Ministry of Commerce and Industry, Lagos.

A very useful service to traders is offered by the Federal Ministry of Commerce and Industry, Lagos. The Ministry, in an effort to promote the development of mutually profitable commercial ties between Nigeria and overseas countries, will provide any private businessman "status reports" on Nigerian firms which contain general data and information regarding the financial standing and reliability of the firm. This service, which is provided free of charge and is being used increasingly, has led to a marked reduction in the number of reports of unsatisfactory trade dealings with Nigerian firms.

Commercial information about Nigeria may also be obtained from the Trade and Investment Division, Consulate General of Nigeria, 575 Lexington Avenue, New York, N.Y., 10022 (Telephone PLaza 2–1670).

CHAPTER V

Government Regulations on Imports

LICENSING AND EXCHANGE

Most goods from the United States may enter Nigeria freely under open general license. Controls, however, are enforced on certain commodities, primarily for sanitary, safety, moral, or religious reasons and, to a much lesser extent, to protect domestic producers or to assist indigenous traders.

Specific import licenses are required to import coal; petroleum products; gold and articles manufactured wholly or mainly of gold; used clothing; cement; and various agricultural products which would compete with Nigerian crops, such as sesame seeds, cocoa beans, cotton, peanuts, palm kernels, and soybeans.

Special control measures apply to, and special permits or licenses are required for certain items, principal among which are: ammonia nitrate; poisonous cyanides; denatured or methylated alcohol, or spirits imported for medicinal or scientific purposes; some types of nets, traps, and snares; used clothing; coin-operated gambling machines; and machines for duplicating keys.

Commodities absolutely prohibited from being imported into Nigeria include obscene materials; foodstuffs unfit for human consumption; matches made with white phosphorous; beads made of celluloid or other inflammable substances; textiles, made-up clothing, hardware, china, or earthenware bearing inscriptions from the Koran; and various types of weapons and firearms.

Foreign exchange is readily granted for payment for imports covered by open general license or for which the importer holds a valid specific license issued by the Import Licensing Authority.

The basic unit of currency is the Nigerian pound (£N) which is defined in terms of gold and which equals US$2.80. The pound is divided into 20 shillings (s) equal to US$0.14 each, and the shilling, in turn, contains 12 pence (d), each equivalent to 1⅙ cents.

SHIPPING DOCUMENTS

Documents normally required on shipments to Nigeria are the exporter's invoice, the bill of lading or airway bill for air shipments, the certificate of origin, and a declaration of value. When the exporter and the supplier or manufacturer are not the same firm, a supplier's or manufacturer's invoice must accompany the exporter's invoice. No special form is required for either the bill of lading or the exporter's invoice. The certificate of origin and declaration of value may be included on the exporter's invoice or submitted separately.

Consular certification is required only for imports of brandy, whisky, and rum.

CUSTOMS DUTIES

Most imports entering Nigeria are subject to customs duties, Imperial weights and measures are used in customs transactions: a long ton equals 2,240 pounds, a hundredweight equals 112 pounds, a cental equals 100 pounds, and an imperial gallon equals 1.2009 U.S. gallons.

Specific duties charged on weight are, with few exceptions, based on net weight, although in instances where the correct net weight is not ascertainable from container markings or from shipping documents, customs officials may charge duty on the gross weight.

Ad valorem duties are based on the c.i.f. value of goods.

The Nigerian import tariff system is used primarily as a revenue generating device; nearly 50 percent of total Federal Government revenues are

derived from import duties. In recent years, however, as Nigeria has experienced a continuing unfavorable balance of trade and as increased emphasis has been placed by the Government on industrialization, changes in various duties have been made to discourage imports of luxury and nonessential goods and to protect newly established industries in the country. As a general rule, then, import duties are low or nonexistent on capital goods, machinery, and raw materials which must be brought in as industry and agriculture develop, and high on items considered to be nonessential. The duty on passenger cars, for example, is graduated upward from 25 to 75 percent as engine displacement varies from 1,200 cubic centimeters to over 3,500 cubic centimeters; import charges on liquor are $29.40 per gallon or 100 percent ad valorem, whichever is higher.

Many types of capital goods and equipment for industrial, agricultural, and scientific or educational use are exempted from import duties and are of particular interest to American manufacturers. The list of these duty-free imports covers a wide range from industrial and agricultural machinery and road-building equipment to disinfectants, weed-killing preparations, and fertilizers.

Information on duties applicable to particular products may be obtained on request from the Africa Division, Bureau of International Commerce, Washington, D.C. The complete import tariff schedule is published in the *Handbook of Commerce and Industry in Nigeria.* See Appendix D, Bibliography.

Further details on Nigeria's import tariff system, licensing and exchange controls, shipping documents required, and related information are contained in the Commerce Department publication, *Foreign Trade Regulations of Nigeria*, OBR 63–122, September 1963.

CHAPTER VI

Trade Practices and Government Representation

TRADE PRACTICES

Terms of sale vary greatly in all sectors of commerce in Nigeria. In the intricate distribution system through which basic consumer items ultimately reach the mass market, short term credit is commonly extended at all levels—that is, between various semi-wholesalers and traders and between traders and their final customers. Virtually none of the credit extended in this manner flows through formal financial channels—it is casually arranged and based on personal acquaintance of the parties involved.

Many large importing firms and local manufacturers extend credit for short periods to their well-known customers, but such transactions are carefully monitored and usually are made only with well established retailers or semi-wholesalers (mammy traders). For the most part, the principal importers and manufacturers deal on a cash basis. It is reported, in fact, that the large textile mills operating in Nigeria sell only for cash payable up to 30 days in advance of delivery.

On the whole, commercial credit arrangements used depend on the type of commodity involved, the size of the businesses which are parties to the transaction, and the closeness of relations between parties.

Use of regularized consumer credit arrangements in Nigeria does not at present extend beyond installment ("hire purchase") sales of motor vehicles and household appliances and furnishings or monthly charge account sales to department store customers.

Ordinary commercial terms for motorcycles, automobiles, and trucks are from ⅓ to ½ down with 12 months to pay; interest charges normally run between 12½ to 15 percent per year on these loans. Special terms for automobile purchases, however, are available to officials of the Federal or Regional Governments whose duties require them to have a personal vehicle; arrangements have been made with a local financial institution whereby longer-term, lower-rate car loans may be extended to such individuals and guaranteed by the Government concerned.

Installment and charge account buying in department stores is not widely used except by expatriate and high-income Nigerian families and by the small but growing middle class, composed largely of salaried employees in government and industry.

With regard to import trade, terms of business again vary widely. Larger firms having well established relations with exporters and manufacturers overseas generally trade on an open account basis. Medium and smaller-sized firms trading regularly and in good volume with particular suppliers abroad commonly receive shipments on sight or time-draft. Outside of purchases made by such firms, however, the vast bulk of the country's import trade is done on the basis of an irrevocable letter of credit.

Bankers and businessmen in Nigeria strongly recommend that shipments be made only on a fully secured basis until the exporter obtains credit information from reliable sources indicating the importer's credit worthiness. The majority of Nigerian firms are fully aware of the dictates of sound business practice and do not expect to trade on a deferred payment basis until a relationship of mutual confidence has been established. In Nigeria no less than in other parts of the world, some American firms have sustained heavy losses by shipping to an unknown importer without requiring an irrevocable letter of credit. Such letters of credit should be issued by one of the foreign

exchange banks in Nigeria, which are listed in the section, Credit Information.

Normal business hours for commercial firms in Nigeria are 8 a.m. to 12:30 p.m. and 2 p.m. to 5 p.m. Monday through Friday, and 8 a.m. to 12:30 p.m. on Saturdays. Many small shops stay open later than these hours.

Commercial banks are open for business from 8 a.m. to 1 p.m. weekdays and from 8 a.m. to 11 a.m. on Saturdays.

Federal and Western Government offices are open from 8 a.m. to 2 p.m. during the week, from 8 a.m. to noon on Saturdays. In Northern Nigeria, Government offices open 1 hour earlier but break between 9 and 10 a.m. Business hours for Eastern Government offices are 8 a.m. to 2:30 p.m. Monday through Friday, and 8 a.m. to 12:30 p.m. on Saturdays.

Officially observed public holidays are New Year's Day (January 1); Good Friday; Easter Monday; Independence Day (October 1); Christmas Day (December 25); Boxing Day (December 26); and the Mohammedan Festivals of Id el Fitr (2 days), Id el Kabir (2 days), and Id el Maulud. Dates of the Moslem feast days vary from year to year, falling approximately 10 days earlier each succeeding year. In 1963, Id el Fitr fell on February 25 and 26, Id el Kabir on May 3 and 4, and Id el Maulud on August 2. In the Eastern Region, Eastern Nigeria Youth Day (March 27) is also a public holiday.

English is the official language and the language of commerce in Nigeria.

As indicated in Chapter V, the imperial system of weights and measures is used in Nigeria. Many manufacturing and industrial plants in the country, however, use the metric system, as do the airline companies.

It is very important that American firms make all quotations or offers to prospective importers in Nigeria in c.i.f. Lagos or Port Harcourt prices. Few firms in the country are accustomed or have facilities, and none are inclined to calculate freight and insurance costs from the United States; it is thus difficult for them to make cost comparisons with offers received from firms in Europe or the United Kingdom whose sales literature invariably gives prices in c.i.f. terms and full details as to volume discounts.

Exporters planning to enter the Nigerian market should register their trade names and trademarks. Details are available from the Registrar of Trade Marks, Federal Ministry of Commerce and Industry, Lagos; or from the Nigerian Consulate-General in New York City.

GOVERNMENT REPRESENTATION

The Government of Nigeria is represented in the United States by the Embassy of Nigeria in Washington, and by the Consulate-General of Nigeria in New York City, and at the United Nations in New York by a Permanent Mission. The Embassy is located at 500 Dupont Circle Building, Washington, D.C., 20036 (telephone ADams 4–4800). The Consulate-General and the Permanent Mission to the U.N. are both located at 575 Lexington Avenue, New York, N.Y., 10022 (telephone PLaza 2–1670).

The United States maintains an Embassy in Lagos (1 King's College Road; telephone 2–2741) and Consulates in the three regional capitals—Enugu (No. 2A Commercial Layout, Ogui Road, telephone 3318); Ibadan (Western Region Finance Corp. Bldg.); and Kaduna (5 Ahmadu Bello Way, telephone 2132). Business visitors are invited to call on the Commercial Attaché at the Embassy or on officers at any of the Consulates while in Nigeria; these officers are intimately familiar with commercial and industrial developments in the various areas of the country, and are often able to proivde valuable information or to assist the traveler in making business contacts.

APPENDIX A

Notes for Business Travelers

GENERAL COUNTRY INFORMATION

The Federation of Nigeria embraces three regions—the Eastern, Western, and Northern Regions—and the Federal Territory of Lagos; a fourth region—the Midwest Region—is now being established in an area around Benin and Sapele which was part of the Western Region.

Nigeria has been fully independent since October 1, 1960, and is a parliamentary democracy with a federal system of government.

The regions share powers with the Federal Government in certain spheres, while the Federal Government has exclusive jurisdiction over matters of national concern—aviation, banking, customs, foreign relations, police, posts and telegraph, railways and major highways, for example—and the Regional Governments have sole responsibility in local affairs, such as education, agriculture, personal taxation, land tenure, and roads other than national trunk routes.

Nigeria is more than 356,000 square miles in area, or about the size of California, Oregon, and Nevada combined. It extends over 700 miles from east to west at the widest point, and 650 miles from north to south. Terrain and vegetation vary considerably from mangrove swamps and tropical forest along the coast to open range in the interior. The far northern part of the country borders on the desert, but lies well within the zone of regular rainfall during the summer months.

The southernmost point in Nigeria lies about 4° north of the Equator, and the northern boundary is approximately 14° north.

HEALTH CONDITIONS

Health conditions vary widely throughout Nigeria, being entirely adequate in the major commercial and industrial centers most likely to be visited by business travelers, but becoming more difficult in remote areas. Water supplies are considered safe for consumption in a few of the principal cities, but bottled drinking water is provided at hotels, and beer and soft drinks are readily available.

Visitors to Nigeria are required to have valid certificates of vaccination against smallpox and yellow fever. Immunizations for typhus, typhoid, tetanus, and polio are also strongly recommended. Preventive drugs against malaria should be taken regularly as prescribed from a period 2 weeks prior to reaching West Africa to 1 month after departing.

Modern hospital facilities are available in Lagos and Ibadan; smaller hospitals or dispensaries are located in most other cities and large towns.

HOTEL ACCOMMODATIONS

Very satisfactory hotel accommodations are available in the major cities, and new ultra-modern hotels are now being built which will supplement present facilities in Kaduna and Enugu. Most rooms are air conditioned at hotels and catering resthouses in the principal cities. Rates are reasonable—ordinarily from $8 to $13 per day (single, breakfast included), depending on the city and type of accommodation. Full details as to the hotels and resthouses operating in various cities and town are contained in the *Handbook of Commerce and Industry in Nigeria* and in the *West African Directory* (see section, Nigerian Directories and Government Publications and Services).

Expansion of hotel space has not kept pace with increased demand in most Nigerian cities. Visitors are advised to make hotel reservations well in advance and, when traveling in the country, to have their travel agency or carrier cable ahead at each stop to reconfirm arrival and departure dates.

FOOD AND CLOTHING

Hotels and resthouses throughout the country provide restaurant facilities; quality of meals served varies, being excellent in the very large cities, but entirely satisfactory at all licensed establishments. There are restaurants and night clubs in most of the larger cities, at which meals vary in quality.

Light summer clothing is suitable year round in Nigeria. Businessmen ordinarily wear short-sleeved dress shirts with no coat during the day. Laundry and drycleaning facilities are available at some hotels, but if much travel within Nigeria is contemplated the traveler will find it more convenient to bring wash and wear clothing. Average daytime temperatures range from 80° to 90° F. in the

coastal region to 95° to 105° F. in the north, although early morning temperatures drop to below 55° F. in the northeast during December and January. Relative humidity is ordinarily from 60 to 80 percent along the coast; inland there is considerable seasonal variation, and in the north humidity during the day ranges from 15 percent in January to 70 percent in August. Patterns of rainfall vary over the country, but as a rule the wettest months are June through September. Annual rainfall ranges from 130 inches in some coastal areas to 25 inches in parts of the Northern Region.

TRANSPORTATION

Nigeria Airways provides a good schedule of connections between larger cities and towns in Nigeria.

Modern hotels, like this one in downtown Lagos, are available in the larger cities

Taxis are abundant in most cities; those in Lagos are fitted with meters, but in other cities charges can be high unless the traveler is prepared to bargain. Information as to standard fares can usually be obtained at hotels.

Cars may be rented in principal cities. Daily charges range approximately from $9 to $15 depending on the type of car and whether or not a driver is provided.

PASSPORTS AND VISAS

In addition to a valid U.S. passport, the businessman entering Nigeria is required to have a visa. Visas, valid for 28 days, may be obtained from the Nigerian Embassy in Washington or from the Nigerian Consulate General in New York. A traveler in transit does not require a visa if his stay in Nigeria does not exceed 24 hours.

One of a fleet of new Fokker "Friendships" flying regular runs to internal and neighboring points

APPENDIX B

American Firms in Nigeria

This list has been compiled from information supplied by American Foreign Service officers abroad under the direction of the Secretary of State. While every effort has been made to include in the list only firms of good repute, no responsibility can be assumed in connection with any persons or firms listed herein, nor for any transactions had with such persons or firms.

* Nonprofit organization

*African American Institute

31 Martins Street, Lagos
P.M.B. 2382
Tel.: 21967

African Research and Development Company, Inc.
4 Labinjo Lane, Lagos
P.M.B. 2708
Tel.: 22999

Allis-Chalmers
c/o Vivian Younger and Bond
P.O.B. 427, Lagos

American Motion Picture Export Co.
15 Wharf Road, Apapa
Tel.: 55702

*AMSAC (American Society of African Culture)
P.M.B. 2814, Lagos

American Overseas Petroleum, Ltd.
14 Industry Road
P.O.B. 521, Port Harcourt

Associated Press
29 Moloney Street, Lagos
P.O.B. 2454
Tel.: 25859

Bank of America
132 Broad Street
P.M.B. 2317, Lagos
Tel.: 25961

Bankers Trust Company
c/o United Bank for Africa
127 Broad Street
P.M.B. 2406, Lagos
Tel.: 26631

E. A. Bramhall & Associates
21/25 Broad Street, Lagos
P.O.B. 2786
Tel.: 26371

Brezina Nigeria, Limited
5 Williams Street
P.O.B. 2403, Lagos
Tel.: 26045

British-American Insurance Company
Hassan Building, Ijora Causeway
P.O.B. 1818, Lagos

Canadian Aero Service Corporation
c/o Federal Surveys Department, Lagos

Chase Manhattan Bank
21 Broad Street, Lagos
P.O.B. 2379
Tel.: 26371

Checchi and Company
6 Labinjo Lane, Lagos
P.O.B. 1225
Tel.: 25371

Chesebrough-Ponds International, Ltd.
16 Burma Road
P.M.B. 1079, Apapa
Tel.: 55351

Chrysler International, S.A.
P.O.B. 1036, Lagos

Cynamid Overseas Corporation
Ikoyi Hotel
P.O.B. 1665
Tel.: 24075

Davco (Technical)
P.O.B. 1711, Lagos

Enterprise Development Co. (Nigeria), Ltd
6 Labinjo Lane
P.O.B. 1284, Lagos
Tel.: 20375

Esso West Africa, Inc.
21 Broad Street
P.O.B. 176, Lagos
Tel.: 24891

Farrell Lines, Incorporated
P.M.B. 1151, Apapa

Flour Mills of Nigeria, Ltd.
Old Dock Road, Apapa
P.M.B. 2438, Lagos
Tel.: 55081

*Ford Foundation
12 Broad Street
P.M.B. 2368, Lagos
Tel.: 20388

Ford Motor Company
P.O.B. 1194, Lagos

General Motors
P.O.B. 2852, Lagos

Goodyear International Corporation
75 Marine Road
P.O.B. 1953, Apapa
Tel.: 55520

Halliburton, Inc.
Port Harcourt

IBM World Trade Corporation
Barclays Bank Building, Marina
P.O.B. 1083, Lagos
Tel.: 20571/2

Ingersoll-Rand International
P.O.B. 2594, Lagos

International Drilling Co.
P.O.B. 538
Port Harcourt

International Harvester Export Co.
4 Commercial Road, Apapa
P.O.B. 388

Jasmine Development Company, Ltd. (Pharmaceutical Division)
26 Commercial Avenue, Yaba
P.O.B. 2473, Lagos
Tel.: 45820

Jesco Mechanical Projects (Nigeria), Ltd.
174 Broad Street
P.O.B. 1103, Lagos
Tel.: 24112

Johns-Manville International Corporation
31/33 Martins Street
P.O.B. 1742, Lagos
Tel.: 21967/02

Arthur D. Little Group
P.O.B. 1247, Lagos
Tel.: 26281

William H. Metcalf, Architects
P.O.B. 1549, Lagos

Mobil Oil Nigeria, Ltd.
60 Broad Street
P.M.B. 2054, Lagos
Tel.: 25411

Modern Signs (Nigeria)
P.O.B. 2499, Lagos

Mosler International, S.A.
% A. G. Leventis Technical
P.O.B. 159, Lagos

National Cash Register Co. (W.A.), Ltd.
Wharf Road
P.O.B. 1038, Apapa
Tel.: 56047

NBC International, Ltd.
Nigerian Television Service
Victoria Island
P.M.B. 12005, Lagos
Tel.: 26201

Nederlandse Boormaatschappij N.V. (Drilco)
Port Harcourt

*New York University
% University of Lagos

The New York Times
P.O.B. 1573, Lagos

Nidoco, Limited
4 Labinjo Lane
P.M.B. 2708, Lagos
Tel.: 23881

Nigerian American Surveys Associates
21/25 Broad Street, Lagos
Tel.: 26371, Ext. 16

Nigerian Buying Services, Inc.
2 Sanni Adowale Street
P.O.B. 1100, Lagos

Nigerian Gulf Oil Company
Investment House
P.M.B. 2469, Lagos

Nigerian Textile Mills
Ikeja Industrial Estate
Tel.: 33392/3

NAAFCO (Scientific Supplies), Ltd.
243 Iddo-Ijora Causeway, Apapa
P.M.B. 2734, Lagos
Tel.: 55410

Oceana Publications, Inc.
26 Commercial Avenue, Yaba
P.O.B. 1159, Lagos

Pan African Airlines (Nigeria), Ltd.
P.M.B. 1054, Ikeja
Tel.: 33098

Pan American World Airways
Investment House
P.O.B. 2311, Lagos
Tel.: 21762

Pfizer Products Ltd., Nigeria
P.M.B. 1031, Lagos
10 Coats Street, E.B.
Tel.: 45296

Modern Nigerian architecture in a Lagos suburb.

Price Waterhouse and Company
25/28 Broad Street
P.O.B. 2419, Lagos
Tel.: 26384

Radio Corporation of America, International
P.O.B. 913, Lagos
% Mandilas and Karaberis

Rexall Drug Co.
% Barclay's Bank
40 Marina, Lagos

SAMCO (Subsidiary of Foremost Dairies, Inc.)
P.O.B. 367, Mushin
Tel.: 33370

Singer Sewing Machine Company
26 Jebba Street, West, E.B.
P.O.B. 3000, Lagos
Tel.: 44774

E. R. Squibb & Sons, Limited
P.O.B. 514, Yaba

Stanley International, Limited
4/6 Oil Mills Street
P.O.B. 2258, Lagos
Tel.: 22210/23781

Sterling Drug, International
P.M.B. 1075, Apapa

Tennessee Nigeria, Inc.
40 Marina
P.M.B. 2119, Lagos
Tel.: 25551

Texaco Africa, Ltd.
241 Igbosere Road
P.O.B. 166, Lagos
Tel.: 24061

Upjohn International, Inc.
% ICI, 24 Commercial Road
P.M.B. 1004, Apapa

Utah Construction and Mining Co.
% American Consulate
Enugu, Nigeria

Walsh Construction Company
% Ferrell Lines
P.M.B. 1151, Apapa
Tel.: 55544

Wayne Tank and Pump, Ltd.
P.O.B. 103, Apapa

West Africa Services, Inc.
6 Labiujo Lane
P.O.B. 1503, Lagos
Tel.: 25371

Westinghouse Electric International, S.A.
25 Broad Street
P.M.B. 2118, Lagos
Tel.: 20111

Williams Brothers Company
Mile 10 Aba Road
P.O.B. 649, Port Harcourt

Wyeth International
c/o Federal Palace Hotel, Lagos
Tel.: 26691

APPENDIX C

Buying Offices in the United States for Nigerian Firms

This list has been compiled from information supplied by American Foreign Service officers abroad under the direction of the Secretary of State. While every effort has been made to include in the list only firms of good repute, no responsibility can be assumed in connection with any persons or firms listed herein, nor for any transactions had with such persons or firms.

Balfour Guthrie & Company
(United Africa Company)
351 California Street
San Francisco, California, 94104.

K. Chellerams & Sons, Inc.
70 Franklin Street
New York, N.Y., 10002.

Compagnie Francaise de L'Afrique Occidentale (CFAO)
17 Battery Place
New York, N.Y., 10004.

Dizengoff International, Ltd.
Room 1408
67 Wall Street
New York, N.Y., 10005.

Export Union Witten
(Wiedemann & Walters (Nigeria) Ltd.)
New York, N.Y.

John Holt, Inc.
375 South Rich Street
Columbus, Ohio

Intercontinental Trading Corporation
(Union Trading Company)
90 West Street
New York, N.Y., 10006.

Nigerian Buying Services, Inc.
32 East 57th Street
New York, N.Y., 10022.

North American African Corporation
(NAAFCO (Scientific Supplies) Ltd.)
120 East 41st Street
New York, N.Y., 10017.

Societe Commerciale de l'Ouest Africain (SCOA)
170 Broadway
New York, N.Y., 10038.

C. Tennant & Sons
(Vivian Younger & Bond (Nigeria) Ltd.)
New York, N.Y.

Sculpture at base on Independence Building, new Federal office building, Lagos Elements of traditional Nigerian wood carving—one of the oldest of Nigeria crafts—merge well with the soaring lines and grace of a modern structure.

J. F. Trinkhaus Company
(Levintis)
39 Cortlandt
New York, N.Y., 10007.

Universal New York
(Triumph Enterprises (1957), Ltd.)
350 Fifth Avenue
New York, N.Y., 10001.

West African Services, Inc.
149 Broadway
New York, N.Y., 10006.

APPENDIX D

Bibliography

This bibliography is not intended to be exhaustive but, rather, to provide a selective list of references containing information on Nigeria of special interest to businessmen.

Annual Abstract of Statistics, Nigerian Federal Office of Statistics, Lagos, about 160 pages, 10s ($1.40).

Commerce in Nigeria, 1962, Lagos Chamber of Commerce, Lagos, 140 pages, free on request.

Digest of Statistics, (quarterly), Nigerian Federal Office of Statistics, Lagos, £1 ($2.80) annually.

Directory of the Federation of Nigeria, 1962, Diplomatic Press and Publishing Co., London, 248 pages.

Eastern Nigeria Newsletter, (monthly), Barnet and Reef Associates, Inc., New York, free on request.

Economic Survey of Nigeria 1959, Nigerian National Economic Council, August 1959, 132 pages, 7s. 6d. ($1.05) from the Federal Government Printer, Lagos.

Federal Nigeria, (monthly), Embassy of Nigeria, Washington, free on request.

Guide to Government Regulations for the Foreign Investor in Nigeria, Checchi and Company, Washington, 1963, 8 pages, free on request.

Guide to Trade and Investment in Eastern Nigeria, Eastern Nigeria Information Service, % Barnet and Reef Associates, Inc., New York, 16 pages, free on request.

Handbook of Commerce and Industry in Nigeria, Nigerian Federal Ministry of Commerce and Industry, 1962, 397 pages plus map supplement, $6 from the Nigerian Consulate General, New York.

Industrial Directory, A List of Major Manufacturing Plants in Nigeria, Nigerian Federal Ministry of Commerce and Industry (Arthur D. Little, Inc., Technical Advisors), Lagos, 1962, 35 pages, free on request.

Industrial Labor, An Introductory Guide for Prospective Investors, Nigerian Federal Ministry of Commerce and Industry (Arthur D. Little, Inc., Technical Advisors), Lagos, 1962, 26 pages, free on request.

Industrialists' Guide to Northern Nigeria, Northern Nigeria Ministry of Trade and Industry, Kaduna, 72 pages, free on request.

Investment Opportunities in Eastern Nigeria, Eastern Nigeria Information Service, % Barnet and Reef Associates, Inc., New York, 32 pages, free on request.

National Development Plan, 1962–68, Nigerian Federal Ministry of Economic Development, Lagos, 1962, 362 pages.

Nigeria, An Economic Survey, Barclays Bank D.C.O., London, October 1961, 39 pages.

Nigeria, Determinants of Projected Level of Demand, Supply, and Imports of Farm Products in 1965 and 1975, Economic Research Service, Foreign Agricultural Service, U.S. Department of Agriculture, August 1962, 149 pages.

Nigeria Trade Journal (quarterly), Nigerian Federal Ministry of Information, Lagos, $1.50 annually from the Nigerian Consulate General, New York.

Nigeria Trade Summary (monthly), Nigerian Federal Office of Statistics, Lagos, 36 shillings ($4.05) annually.

Nigeria Yearbook (annual), the Times Press, Apapa (Lagos), 35 cents.

The Nigerian Grower and Producer (6 issues per year), Journal and Magazine Production Services (West Africa), Ltd., Lagos, 95 cents annually.

The Nigerian Journal of Economics and Social Studies (3 issues per year), University of Ibadan, Ibadan, $4 annually.

Nigerian National Accounts, 1950–57, P.N.C. Okigbo, printed by the Government Printer, Enugu, Eastern Nigeria, 1962, 206 pages, $2.80.

Nigerian Official Publications, 1869–1958: a Guide, Library of Congress, Washington, 1959, 153 pages.

One Hundred Industrial Possibilities in Nigeria, An Introductory Guide for Prospective Investors, Nigerian Federal Ministry of Commerce and Industry (Arthur D. Little, Inc., Technical Advisors), Lagos, 1962, 42 pages, free on request.

Population Census of Nigeria, 1952–53, Nigerian Federal Office of Statistics, Lagos, 13 pages, 5 shillings (70 cents).

Port Harcourt, Port Harcourt Chamber of Commerce, Port Harcourt, 1962, 73 pages, free on request.

Report on Employment and Earnings Enquiry, Nigerian Federal Office of Statistics, Lagos, September 1960, 34 pages, 5 shillings (70 cents).

Road Transport in Nigeria, E. K. Hawkins, Oxford University Press, 1958, 99 pages.

Selling in Africa, Henry Deschampsneufs, Business Publications, Ltd., London, 1961.

Trade Report (annual), Nigerian Federal Office of Statistics, Lagos, editions from 1953 through 1958, and from 1960 through 1961, approximately 240 pages per issue, $2.80 each.

Urban Consumer Surveys in Nigeria, Nigerian Federal Office of Statistics, Lagos:

Lagos (1953/54), Enugu (1954/55), and Ibadan (1955), December 1957, 70 pages, 5 shillings (70 cents).

Kaduna and Zaria (1955/56), 1959, 88 pages, 5 shillings (70 cents).

Lagos (1959/60), 1963, 61 pages, 20 shillings ($2.80).

U.S. Department of Commerce publications. See section, U.S. Government Services and Publications.

West Africa (weekly), Overseas Newspapers Ltd., London, $7 annually.

West African Builder and Architect (6 issues per year), Journal and Magazine Production Services (West Africa), Ltd., Lagos, $3 annually.

West African Directory 1963–4, Thomas Skinner and Co. (Publishers), Ltd., London, 1963, 602 pages, 42 shillings ($5.88).

U.S. GOVERNMENT PRINTING OFFICE : 1964 O—717-541

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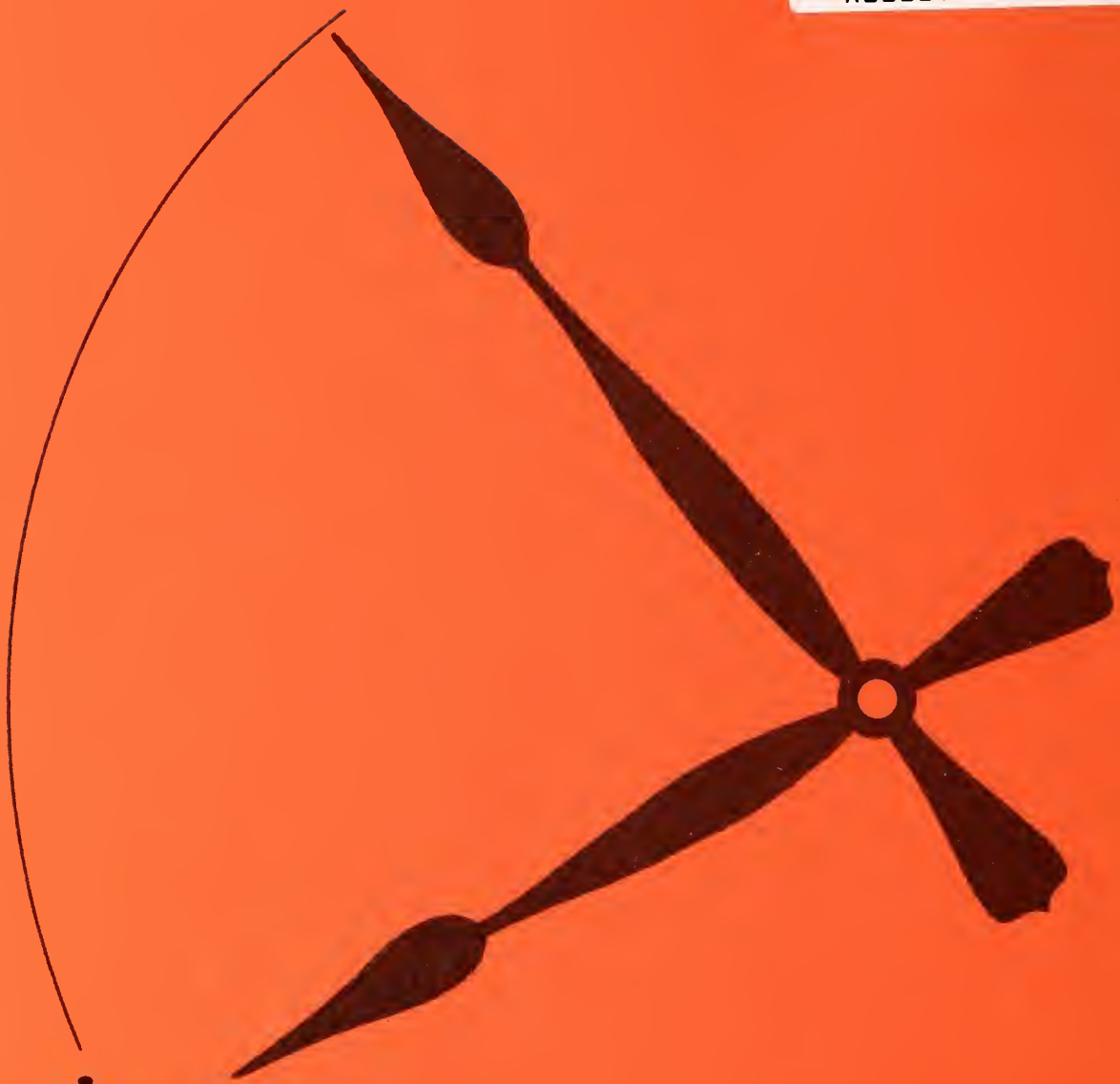

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